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Clinton Set To Pay Off $1 Billion To UN — If

Release of Funds Linked to Reforms; Foreign Aid to Rise

By Thomas W. Lippman
Washington Post Service

WASHINGTON — President Bill Clinton will ask Congress for $1 billion to pay off most of America's debt to the United Nations as part of a substantial overall increase in spending on international affairs, according to administration officials and congressional sources.

In addition to the extra money for the United Nations — most of which would be appropriated but held back as a way of pressing the world body for U.S.-backed reforms — Mr. Clinton will seek to increase foreign affairs spending and foreign aid by about $1.2 billion above the 1997 level of $18.1 billion.

Flying in the face of congressional demands for further budget reductions, the spending plan for fiscal 1998 reflects the president's view that international affairs spending has been cut too far already and further reductions would undermine the ability of the United States to carry out effective diplomacy, officials said.

The budget Mr. Clinton is planning to send to Congress Feb. 6 will represent a success for Secretary of State Warren Christopher and his designated successor, Madeleine Albright. They have argued repeatedly within the administration that further cuts of the magnitude envisioned in long-term budget-balancing plans would jeopardize U.S. national interests.

Their views overcame the reluctance of the director of the Office of Management and Budget, Franklin Raines, to increase overseas spending at the expense of domestic issues, sources said.

It was Mrs. Albright's conviction that Congress would never come up with the money to square accounts at the United Nations while Boutros Boutros Ghali was secretary general that led her to campaign successfully for his ouster and for his replacement by Kofi Annan of Ghana. Whether Mr. Annan, who took over Jan. 1, will be a sufficiently vigorous and effective reformer to convince congressional skeptics remains to be seen.

Mrs. Albright and other officials have argued that U.S. influence within the United Nations is declining, and that U.S. demands for reform meet resistance, because the United States owes the world body more than $1 billion in unpaid dues and peacekeeping assessments.

With Mr. Boutros Ghali out of the

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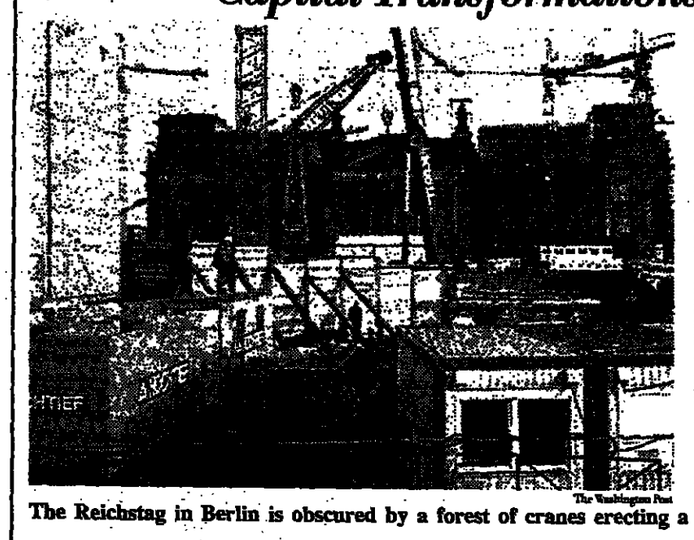
Capital Transformations in the New Germany



The Washington Post

Mark Peterson/The New York Times

The Reichstag in Berlin is obscured by a forest of cranes erecting a new city, left, while in Bonn, life at the university quietly goes on.

Berlin Walls Tumble

But Building Boom Draws Some Boos

By William Drozdiak
Washington Post Service

BERLIN — For much of this century, Berlin has exerted a unique influence on the world. From the 1920s, when its glitzy cabarets transformed art into decadence, to the smoking ruins of World War II and the concrete wall that served as fault line between East and West, its landscape has helped define the times.

Now, seven years after the wall collapsed, Berlin is creating an urban showcase for the 21st century.

An extraordinary building boom is in full swing, epitomized by 1,000 towering construction cranes winching up concrete and steel as massive surgery is performed on the heart of Germany's once and future capital. By 2000, three gargantuan tasks are supposed to be finished:

- The separate infrastructures created over four decades when the city was split into hostile ideological zones are being stitched together at a cost of more than $20 billion, with energy grids, water mains, transportation systems and communications lines woven into a seamless whole.
- A colossal $100 billion collection of commercial and residential building projects is rising in the traditional city center, long scarred by the "death strip" abutting the wall. The biggest of these will feature a "city within a city," like New York's Rockefeller Center, erec-

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Bonn Reinvents Itself

Small Town Prepares to Become Smaller

By Alan Cowell
New York Times Service

BONN — It is one of the few paradoxes of this bland city that for all its days as a hub of the Cold War, it never even began to shake the sobriquet attached to it decades ago by John Le Carre: a small town in Germany.

Over the years, this university town by the Rhine acquired an opera house, a concert hall and fine art galleries. But it rarely transcended the image of an introverted place subsisting mainly on the influence-peddling and power plays of government.

Now, though, Bonn confronts what is arguably its greatest challenge since it became West Germany's postwar "provisional capital:" How will the city of 300,000 reinvent itself when most of the ministers, legislators and diplomats move to Berlin, the real capital, by the end of the century?

What will happen to the grand villas where the American and other ambassadors live and the offices that house the bureaucrats?

What use will be made of one of Bonn's more curious Cold War leftovers — the so-called American Settlement on the banks of the Rhine, where American-modeled church, schools, football field, baseball diamonds, movie house, fast-food joint and club still stand as icons of the values to be protected against the one-time menace of the Kremlin?

See BONN, Page 7

Opposition Is Declared The Winner In Belgrade

Protests to Continue; Milosevic's Party Gets 48 Hours to Appeal

By Chris Hedges
New York Times Service

BELGRADE — Belgrade's electoral commission, in a move that could signal a government decision to give up its attempt to annul election victories by its political opponents, said Monday that the opposition coalition had won control of the capital's city council.

The news, greeted cautiously by the coalition leaders and Western diplomats, could bring an end to the two months of daily street protests that erupted after the government annulled opposition victories in 14 of Serbia's 18 largest cities. But these officials stressed that the government statements remained ambiguous, without legal precedent, and had granted President Slobodan Milosevic's Socialist Party 48 hours to appeal the decision.

The move, which overruled an earlier district court decision, was announced by the head of the election commission, Radomir Larazevic. It was followed later in the day by an announcement that the local electoral board in Nis, Serbia's second largest city, would also honor the opposition election victory there, despite a call on Monday to carry out a new vote in several districts.

"I remain cautious because there are 48 hours during which appeals against the decision can be made," Vesna Pesic, an opposition leader, said in Paris, where she was meeting French officials.

"If the results are recognized, then yes, it would be a turnaround because up to now the government has always said that elections would not be recognized," she said.

Mr. Lazarevic said that the opposition coalition Zajedno, or Together, had won 60 of the 110 seats in the main city council. Mr. Milosevic's Socialist Party, allied with his wife's Yugoslav United Left Party, would be given 23 seats, with the remainder going to other parties.

"These may be the cracks in the ice," said a Western diplomat. "This could see us out of the crisis."

Opposition leaders said they would not call off daily street protests, which drew more than 300,000 people to the city center Monday night to celebrate the Serbian New Year, until election victories in all 14 of the cities they won in November were honored.

Western diplomats here said that deep splits remained within the government. And they noted that despite orders from Belgrade, party officials in Nis tried to defy the government decision to hand the city over to the opposition. Such mutinies by hard-line factions remained a possibility, these officials said.

But Mr. Milosevic, who has been criticized by senior members of his own government and told by close allies, such as Greece, to honor the vote, appears ready to concede defeat rather than risk further isolation.

The U.S. State Department has refused to send senior envoys, such as Assistant Secretary of State John Kornblum, who was in the region this week, to meet with the Serbian president.

Mr. Kornblum announced this week that the U.S. government had drawn up an "action plan" to support democracy in Serbia. He said that trade with the United States would be discouraged and that assistance to pro-democracy groups would be expanded.

"We're trying to tighten the pressure on Milosevic and to demonstrate to him that there is a penalty to the type of behavior that he has shown," the State Department spokesman, Nicholas Burns, said in Washington.

■ **'First Step Toward Sanity'**

Welcoming the Belgrade ruling, one of the key opposition leaders, Vuk Draskovic, said, "If it's true, then it is the first step of the Serbian government toward sanity." Agence France-Presse reported. "We must be very careful," he added, saying the reaction from the Socialists and courts would show if Mr. Milosevic has decided to accept the opposition victories.

The Man Who Would Be Czar

By Lee Hockstader
Washington Post Service

MOSCOW — The wall clock in Alexander Lebed's austere office is five hours fast. He can't explain it, seems never to have noticed. When asked, he scowls at it, then scowls some more at his wristwatch.

No matter. Mr. Lebed is convinced his time is drawing near.

With President Boris Yeltsin ailing and the country adrift, Mr. Lebed, 46, remains by far the most popular politician in Russia. He vows he will be the next president, and opinion polls suggest he may be right.

"I am ready for the elections," said the retired general, beaming with confidence.

No doubt. But the problem for Mr. Lebed is what to do in the meantime — and how to keep his name in lights. No elections are scheduled here until 2000, and by all appearances, no one of consequence in Russia requires Mr. Lebed's presence right now.

His life is an endless stream of interviews and news conferences, often back to back. On Tuesday, he jetted off to Germany. Next week he may appear in Washington for President Bill Clinton's inauguration.

Disdaining the role of legislator, apparently convinced that all jobs save the presidency are beneath him, Mr. Lebed has declined to run for a seat in the upper house of Parliament, even though he could have won one easily. Instead, he is Russia's gravel-voiced Chicken Little, telling all who will listen that social upheaval is coming — in March, to be specific.

"Russia is a vast country, and it's difficult to move it off-center," he said darkly in a session with several foreign correspondents Monday. "But once the upheaval has started, it will be hard to stop the momentum."

By comparison, "Bosnia and Bulgaria will seem like picnics," he said.

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Kai Pfaffenbach/Reuters

Alexander Lebed arriving Tuesday in Frankfurt where he said he would be Russia's next leader.

AGENDA

Hebron Deal Imminent

JERUSALEM (AP) — Prime Minister Benjamin Netanyahu of Israel was to meet Tuesday night with the Palestinian leader, Yasser Arafat, apparently to wind up the Hebron withdrawal agreement.

"I think it's the finish," said the U.S. consul-general, Edward Abington.

A spokesman for Mr. Arafat, Nabil Abourdeineh, said the two leaders would meet at midnight at the Erez crossing between Israel and the Palestinian-controlled Gaza Strip.

A senior Israeli official, speaking on condition of anonymity, said the meeting could end with "agreement, but not a signing."

"They still have still to negotiate a few points," he said. But the official added that the meeting would not be held "if we were not reasonably certain that it could end well." The negotiations have been going on since October.

Antihistamine Is Deemed Unsafe

Seldane, the antihistamine, is unsafe and should be taken off the market, the U.S. Food and Drug Administration said. It has been blamed for perhaps hundreds of deaths from unstable heart rhythms when taken with the antibiotic erythromycin or with the antifungal drug ketoconozole. Page 2.

Pascal Guyot/Agence France-Presse

A Palestinian carrying her brother Tuesday in front of barbed wire protecting a Hebron settlement.

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Arab Paper Resists Terror

Letter Bombs Target Outspoken Al Hayat, Which Has Enemies as Well as Admirers

By Youssef M. Ibrahim
New York Times Service

LONDON — On a spring evening in Beirut in 1966, Kamel Mrowa looked up from final proofs of his beloved newspaper Al Hayat to stare at his assassin's gun.

"My father died with two phones in his hands and his pen on his desk because he refused to back down or shut up. And, here they go again," said Hayat Palumbo Mrowa, the 47-year-old daughter of the paper's founder. She was named Hayat, or life, after her father's beloved journal.

The killer had been sent, it is widely believed, to silence Al Hayat's opposition to the nascent Arab nationalist movement, then led by President Gamal Abdel Nasser of Egypt.

Having survived decades of plotting, controversy, extortion and exile since its founding in 1946, Al Hayat is now subject to a new terror bombing campaign.

"It's our karma," said Lady Hayat, who is married to Lord Palumbo, in a conversation in London on Tuesday.

Four bombs, with postmarks in Alexandria, Egypt, were sent to the United Nations bureau of the paper and discovered on Monday and Tuesday. The devices were safely defused.

Similar devices were mailed this month to the paper's offices in Riyadh, London and Washington.

Before the Lebanese civil war forced it to shut its offices in Beirut in 1976, the paper had been the target of 13 bombing attempts. The paper was resurrected in London 10 years ago.

Over the last two weeks unknown individuals have mailed at least 14 letter bombs to its headquarters and its bureaus in New York, Washington and Riyadh.

One of the bombs wounded two security guards as it exploded in the newspaper's building in London on Monday.

So what is a newspaper founded by a Lebanese Shiite Muslim half a century ago, purchased by a Saudi prince a few years ago and managed for the last decade by a highly professional team of Lebanese Muslim, Catholic, Maronite and Druze editors and reporters from every political and ideological corner in the Arab world doing to merit such retribution? As they drifted to work

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Newsstand Prices

Andorra	10.00 FF	Lebanon	LL 3,000
Antilles	12.50 FF	Morocco	18 Dh
Cameroon	1,600 CFA	Qatar	10.00 Riels
Egypt	£E 5.50	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10.00 R.
Gabon	1100 CFA	Senegal	1,100 CFA
Greece	350 Dr.	Spain	225 PTAS
Italy	2,800 Lire	Tunisia	1.250 Din
Ivory Coast	1,250 CFA	U.A.E.	10.00 Dirh
Jordan	1.250 JD	U.S. Mil. (Eur.)	$1.20

The Dollar

New York	Tuesday close	previous close
DM	1.593	1.5887
Pound	1.6715	1.6755
Yen	116.93	116.475
FF	5.376	5.3605

The Dow

	Tuesday close	previous close
+53.11	6762.29	6709.18

S&P 500

change	Tuesday close	previous close
+9.35	768.86	759.51

Tiptoeing Past China, Japan Extends a Hand to Asia

By Michael Richardson
International Herald Tribune

SINGAPORE — In a move to strengthen its role in Asia, Japan on Tuesday proposed a wide-ranging partnership that would extend its relations with Southeast Asian countries beyond strong economic ties into high-level political and security cooperation.

The plan put forward by Prime Minister Ryutaro Hashimoto is an acknowledgment of the increasing international importance of the Association of South East Asian Nations. But analysts said that it could annoy Beijing, which might see it as a move to create a possible counterweight to Chinese might.

In a speech in Singapore described by Japanese officials as an important new statement of Tokyo's policy toward Asia, Mr. Hashimoto said that he had gained the agreement of the five ASEAN leaders he had met for "the basic idea" of regular summit meetings between the group and Japan.

He also said that to "ensure peace and stability in the Asia Pacific in the 21st century," he wanted Japan to start "frank dialogues on regional security with each of the ASEAN countries on a bilateral basis."

Mr. Hashimoto said that "several unstable factors persist" in the region. He did not identify them, but Japanese officials have expressed concern in the past about China's military modernization, its refusal to rule out the use of force against Taiwan, Beijing's sweeping territorial and maritime claims in East Asia, and North Korea's clandestine nuclear weapons and missile development programs.

The Japanese leader was speaking after talks in Brunei, Indonesia, Malaysia and Vietnam as well as Singapore. He visited the other two ASEAN members — Thailand and the Philippines — last year.

"Given the increasing importance of ASEAN as an

See JAPAN, Page 7

Pressure Against Girls / **Abort and Try Again**

It's a Boy! Koreans Exult

By Sheryl WuDunn
New York Times Service

SEOUL — When Lee Young Sun was pregnant for the second time, she secretly paid a doctor to learn the sex of the fetus. He told her she would have a girl, and she took off with her family on a vacation in misery.

She and her husband already had a daughter, and after considering the issue very carefully, they reached their decision. Mrs. Lee went to the doctor and had an abortion.

"I suggested it to my husband, and now I feel differently, but at that time, I felt driven to think that an abortion was necessary," said Mrs. Lee, 35. "My husband says that he doesn't need a son. But when I ask him, 'Will it be good to have a son?' he keeps silent. In that case, I assume his answer is yes."

Echoing the contradictions of her generation, Mrs. Lee was torn between the demands of tradition and a growing appreciation for females in Korean society. Even as greater numbers of women stand by their baby girls, they also feel an age-old obligation to bear sons.

So they secretly abort fetuses of females and try again.

South Korea has 30,000 fewer girls born each year than would be the case if there were no such abortions. That compares with 330,000 girls born each year, suggesting that about one female fetus in 12 is aborted because of its sex. China, India and other countries are also discovering that expectant mothers are aborting female fetuses, resulting in shortages of women and girls in society.

In this country of 45 million people, there are nearly 116 boys born for every 100 girls, one of the highest such ratios of any country in the world. The only comparable figure is in China, where 118.5 boys are born for every 100 girls, according to a nationwide survey by the Chinese government in 1992. The survey so shocked officials in Beijing that they never formally released the results.

In other countries of all races and income levels where data are reliable, the ratio is 105 or 106 boys born for every 100 girls. Because boys tend to die earlier, that ratio becomes one to one when the boys and girls grow up. But in some regions of South Korea, the figure has soared to as high as 125.

Except in rare cases, abortions are illegal in South Korea, and disclosing the sex of a fetus is also against the law. But that is very hard to police, and doctors are said often to disclose the sex of a fetus in exchange for a bribe.

In South Korea, the pressure to have sons often comes from women themselves, particular mothers-in-law, and some women feel that they have failed their husbands if they have not produced a male heir.

When Lee Tae Rim, 29, gave birth to her daughter, everyone in the family seemed happy. But soon after, her mother-in-law began to mutter that it was a shame the child was not a boy. Then Mrs. Lee became pregnant again and had a son.

"My mother-in-law called up my sister-in-law three times to tell her it was a boy!" exclaimed Mrs. Lee, who stays at home to care for her two children. "Soon after I delivered my son, my parents-in-law moved us into a larger apartment. They figured that we needed an extra room for the baby boy."

Since 1994, aborting female fetuses has been a criminal act, but it has also been a common one. The government has been trying to crack down on underground abortion doctors, and it arrested several doctors in October for revealing the sex of fetuses.

That adds to the pressure on expectant mothers, whose fears are sometimes groundless.

"It makes women very nervous, especially if they are married to the first son in a line of first sons, and if she doesn't have a boy, she may fear she will be divorced," said Kwak Bae Hee, who helps run the Korea Legal Aid Center for Family Relations. "Say a family has no son and only a daughter, who gets married. Then from the family's point of view, when the father dies, the family dies with him."

Traditional pressures were spinning around in the head of Park Un Hee, a 28-year-old pregnant woman who appeared distraught as she waited for her doctor's appointment at a Seoul hospital.

"The doctor won't say, but I hope it is a son," said Mrs. Park, who has a 2-year-old daughter and during her pregnancy has seen rising expectations from her in-laws. "They don't say it openly, but I know they want a son."

"Sometimes they tell me that the way I walk reveals the sex of the fetus, and sometimes they comment on the shape of my body," Mrs. Park added, a bit dejectedly. "From all the comments, I think it's another daughter."

Mrs. Park says she is already planning to have another child if this one is a girl. "This country is a male-dominated country," said Lee Sea Baick, a demographer at Seoul National University. "We look down on women. This concept comes from Confucianism. And we can't develop women's status without destroying some traditional Confucianism."

Most Korean women do not pursue careers, and professional opportunities for them are limited.

In the 1970s, survey data showed that 27 percent of Korean women allowed their husbands to have concubines if they could not bear sons themselves. That is no longer true, and concubines have disappeared.

In 1990, the government legally removed discrimination against women in property inheritance, and it has banned companies from recruiting employees with "males only" advertisements.

Still, favoritism toward sons persists, particularly in marriage.

Though mores are modernizing, Korean sons have traditionally brought their wives into the nuclear family, while daughters have married out, giving rise to the old Korean saying that sons-in-law never become family members.

"We'll have a shortage of girls," said Cho Nam Hoon, a population scholar who heads the Korea Institute for Health and Social Affairs. "And we'll have to import from abroad."

Already there is a shortage of girls in the elementary schools. Lee Yon Ha, a 7-year-old first grader, and her 13 girlfriends in the coed classroom at the Segomjong Elementary School are surrounded by 23 boys.

"I don't like all these boys around," she said, speaking shyly as a few boys were leaping on their desks. "They are always fighting."

But the boys are already sensing the lack: During folk dances at traditional festivals in the fall, several boys had to dance together because of the shortage of girls.

When Mrs. Lee, the woman who had an abortion, subsequently had another daughter five years ago, her father-in-law came to her during her recovery to ask her when she could get pregnant again.

Then one day, he handed her a newspaper advertisement on how to give birth to sons. Mrs. Lee took the advertisement, stuffed it in her wallet and never followed up.

"My mother-in-law never said a word before, but lately she's been suggesting: Why don't you have another child, before it gets too late?" Mrs. Lee said. "My father-in-law doesn't put pressure on his own son, but at the family ancestral worship ritual, he wishes that the ancestors bless my husband with a son."

Mrs. Lee says she loves her daughters and does not want a son, but there are moments of indecision. When she rides the bus or the subway with her two daughters, elderly women often come up to her with faces full of pity.

"They ask me, 'Have you no son?' And I say, no," Mrs. Lee said. "Then they say, 'Oh, you must bear a son.' That kind of remark makes me wonder for a few seconds: Am I doing the right thing by not having a son? That kind of remark makes me angry and embarrassed."

Robert/Sipa-Press

South Korea has 30,000 fewer girls born each year than would be the case if there were no abortions. That suggests that about one female fetus in 12 is aborted because of its sex.

Sudanese Rebels Claim To Capture Army Posts

Compiled by Our Staff From Dispatches

ASMARA, Eritrea — The Sudan People's Liberation Army said Tuesday that a joint rebel force had captured important Sudanese Army garrisons in the southern Blue Nile region.

The rebel army's spokesman in Eritrea, Yassir Arman, said the operation was carried out Monday by a force formed by an umbrella opposition group, the National Democratic Alliance. The rebels captured three bases, at Al Kali, Daimonsour and Shali al Fil, he said, and attacked the garrison at Maban.

Mr. Arman would not give a figure for casualties.

The new victories claimed by the rebels follow statements Sunday that they had captured the border town of Kurmuk and other army garrisons in Blue Nile Province as part of the first big combined operation by northern and southern opponents of the Islamic military government in Khartoum.

The rebels in Kurmuk, which is near the Ethiopian border, say they now have a foothold to launch an assault on the Muslim government in the capital, Khartoum, 600 kilometers (370 miles) to the northwest.

"I believe this is where we can win the war," said a rebel commander, Paul Malik Agar. "You can win the war only in Khartoum. This is the shortest way to Khartoum."

A decade of civil war in Sudan, Africa's largest country, has mainly pitted the Arab Muslim north against the black Christian south. More than 1.3 million people have died in the fighting and resulting famines.

The government, which took power in a 1989 coup, is described as a sponsor of terrorism by the United States, and Egypt accused it of being behind an assassination attempt on President Hosni Mubarak. Last year, the U.S. government said it was sending military aid to Sudan's neighbors, Eritrea, Ethiopia and Uganda, which support Sudanese opposition groups.

In Khartoum, an armed forces statement referred only obliquely to the rebels, saying border towns had been attacked by Ethiopian forces that were accompanied by what it called "remnants of agents and mercenaries." Ethiopia denied involvement in the fighting.

In an apparent effort to prepare public opinion for a military campaign, Sudan state radio and television broadcast patriotic and military songs and poetry, along with messages supporting the government and attacking what they called the Ethiopian aggression.

The radio said the Osman Digna brigade of the paramilitary People's Defense Forces was preparing to leave Khartoum for Kurmuk. Sudan's leader, Lieutenant General Omar Hassan Ahmad Bashir, said the forces must "defend the homeland and deter the enemies of Islam."

Despite the rebel victories, analysts said they expected the Sudanese government to succeed in repelling the guerrillas.

"I don't think this will change the situation dramatically," said Hassan Abu Taleb, an expert on Sudan at the Ahram Center in Cairo. "I think the Sudanese government will take steps to recapture the territory."

The war has been hard on the civilian population, but the Sudanese government has made Blue Nile Province — and other territory held by the rebels — off-limits to aid groups.

Baroness Caroline Cox of Britain, who was in the region until Saturday for the charity Christian Solidarity International, condemned "the politics of hunger waged by the government of Sudan against its own people."

The baroness urged the international community to pressure Khartoum to open all regions of Sudan to humanitarian aid. *(Reuters, AP)*

Mandela Aide Accuses U.S. Of Bullying on Syrian Deal

Reuters

CAPE TOWN — President Nelson Mandela's spokesman accused the United States on Tuesday of trying to bully South Africa over a proposed arms deal with Syria and said that Pretoria would not be dictated to by Washington.

"We detest this kind of behavior," the spokesman, Parks Mankahlana, said in response to a U.S. threat to cut aid to South Africa if it goes ahead with the 3 billion rand ($650 million) sale to Syria.

"We don't understand even why the Americans are so hyped over this thing," Mr. Mankahlana said. "We'd rather be spoken to differently, as equals."

South African government officials have said the cabinet will decide at its next meeting, later this month, whether to approve the sale to Syria of equipment to upgrade the firing control on its Soviet-made T-72 tanks.

Syria is on a list of countries that the United States accuses of sponsoring terrorism and against which it seeks to maintain an international arms embargo.

In Washington, the State Department said Monday that it was deeply concerned about the proposed sale. "It would be extremely serious if these sales actually occurred," it said.

Mr. Mankahlana said the United States should not have gone public with its concerns in the way that it did.

"President Clinton and President Mandela are a call away from each other," he said. "They phone each other very regularly."

"We just don't like being shouted at. We hope that they would know that it is not the right way of dealing with us. We are a sovereign country, and they are a sovereign country."

South Africa, which is a major recipient of U.S. aid, has offended Washington by maintaining warm relations with Cuba, Libya and Iran.

Popular Antihistamine Deemed Unsafe

By John Schwartz
Washington Post Service

WASHINGTON — The popular antihistamine Seldane is unsafe and should be taken off the market, the U.S. Food and Drug Administration has announced.

Since its introduction in 1985, the drug has been blamed for perhaps hundreds of deaths from unstable heart rhythms when taken with the common antibiotic erythromycin or with the antifungal drug ketoconozole, the agency said Monday. Patients with liver disease have also reported abnormal heart rhythms when taking Seldane alone.

The agency suggested that users talk with their doctors about switching from Seldane, also known as terfenadine, to another prescription antihistamine, Allegra, or fexofenadine, which was approved in July. Allegra has the same beneficial effects as Seldane without any of the harmful side effects, said Robert Temple, director of the agency's Office of Drug Evaluation. Both drugs are made by Hoechst Marion Roussel, a subsidiary of the German company Hoechst.

Pharmacists filled 6.5 million prescriptions for Seldane products between January and November of last year in the United States, according to Hoechst. Seldane is also marketed outside the United States. In certain countries, it is sold under the names Teldane, Teldanex or Triludan, according to Hoechst and the Food and Drug Administration.

Hoescht intends to fight the agency action, but at the same time, the company has been encouraging consumers to switch to Allegra.

Seldane was the first anti-allergy drug approved that does not make most users drowsy. Because Seldane's potentially dangerous interactions with other drugs have long been known, regulators and Hoechst have repeatedly issued warnings to doctors, pharmacists and patients to avoid taking the antihistamine with those other drugs.

Such warnings have caused the number of Seldane-related incidents to drop sharply over time. But recent surveys have shown that some doctors and pharmacists continue to prescribe the potentially fatal combinations. Also, Mr. Temple said, even if pharmacists and doctors prescribe the drug properly, consumers may not follow their advice.

9 More Decapitated, Algeria Says

Agence France-Presse

ALGIERS — Algerian security forces have found nine decapitated bodies in the Algiers region, the daily newspaper El Watan reported Tuesday.

Five bodies were found at Djebel Koukou, in an area near Algiers that is said to be a refuge for armed fundamentalist fugitives and where security forces have carried out several operations, the newspaper said.

Four others were found at Oued El Kerma, near Baba Ali, at the southern exit from the capital, it added.

The newspaper did not specify the age or sex of the victims or say when the bodies were found.

Early Monday, the throats of 14 persons were slit in the village of Tabainat near Blida, south of Algiers. Some of the victims were also decapitated and mutilated with spades. The throats of five young girls also were slit in the nearby village of Ouled Chebel.

According to press reports, the killings were carried out by members of the Armed Islamic Group, Algeria's most radical Muslim rebel group.

U.S. Balloonist On Solo Flight

Reuters

ST. LOUIS, Missouri — An American lifted off on an around-the-world solo balloon flight late on Monday from Busch Stadium in St. Louis, an expedition spokesman said.

Steve Fossett, 52, a wealthy Colorado-based commodities broker, piloted his "Solo Spirit" balloon out of the stadium and over the Mississippi River, the spokesman, Bo Kemper, said.

"The launch went very smoothly," Mr. Kemper said. "It was a beautiful visual."

Mr. Fossett's flight is the third attempt in less than a week at an around-the-world balloon trip. It follows recent failures by rival teams in Europe and North Africa to crack one of manned flight's great barriers, a goal that also eluded Mr. Fossett a year ago when his balloon crashed in Canada during a similar attempt.

He already holds a world distance record for a solo balloon flight, set in 1995 when he flew from South Korea to Canada.

Rwanda Politician Goes on Trial On Charges of Inciting Genocide

Reuters

KIGALI, Rwanda — Rwanda put on trial Tuesday a prominent politician accused of being a ringleader of the 1994 genocide of minority Tutsi masterminded by Hutu extremists — despite being an ethnic Tutsi himself.

Froduald Karamira was a vice president of the extremist MDR-Power party under the former Hutu-led government and is the most senior suspect held in Rwanda on charges of taking part in the genocide. About 800,000 people were killed in Rwanda.

He is accused of being a leader of the Interahamwe militia that led the attacks in the capital, Kigali, and was allegedly responsible for inciting genocide through broadcasts on state-run Radio Rwanda and Radio Mille Collines.

Mr. Karamira's defense lawyer, Paul Atita, who is from Benin, immediately applied for an adjournment of 15 days, saying that he had never met his client before and had not prepared himself for the case.

Mr. Karamira also requested a delay.

The presiding judge, Jariel Rutaremara, adjourned the trial until Jan. 29.

The trial of four Hutu, who had been charged along with Mr. Karamira, proceeded Tuesday.

If convicted, Mr. Karamira and the four other defendants face death by firing squad.

DEATH NOTICE

Mr & Mrs Bruno François,
his daughter and children,
Mrs Martial DuBoucheron
and her daughter,
The DuBoucheron family,
brothers, sisters, nephews &
grand-nephews sadly announce
the departure for the
ultimate voyage of

GUY-LOUIS

on the Carribean on January 2nd.
A religious ceremony will take
place on Saturday, January 18th
at 10:30 a.m. on board
"Le Colonel", Port Debilly,
75116 Paris. Tel.: 01 47 23 96 95.

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TRAVEL UPDATE

Aristotle's School Found

ATHENS (AFP) — The ruins of the Lyceum, where Aristotle taught two and a half millennia ago, have been unearthed in central Athens, according to Culture Minister Evangelos Venizelos.

The Central Council of Archaeology confirmed that ruins found on the site of Athens's new modern art museum are those of the Lyceum, the minister said.

The philosopher Aristotle lived from 384 to 322 B.C. and taught at the Lyceum from the age of 49 until his retirement at 62.

The Lyceum was one of the three great schools of philosophy in ancient Greece, together with Plato's academy and the school established by the Cynics after the death of Socrates.

Warning on Air Safety

WASHINGTON (Reuters) — A senior Boeing Co. official has said that growth in the aviation industry could halt if air safety is not improved.

Charles Higgins, vice president for safety of Boeing's commercial plane group, told an aviation safety conference that if the current air traffic growth rate and current accident rate continued, there would probably be an accident somewhere in the world every week by 2005.

Data suggested that air travel drops off after major accidents, and with a major accident every week or two, "public confidence could erode to the point where growth in the industry might stop," he said.

Tourists Favor France

PARIS (AFP) — France was the favorite destination for foreign vacationers last year, playing host to 61.5 million tourists, the French tourist authority said.

The number of visitors was 2.4 percent higher than in 1995, while the cash they spent was 5 percent higher at 144.2 billion francs ($27 billion).

A general review of Italian railroad safety has begun and will be completed by the summer, the national rail company's director, Giancarlo Cimoli, said Tuesday. *(AFP)*

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Arts and Antiques
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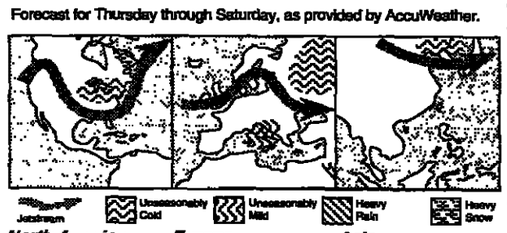
WEATHER

Forecast for Thursday through Saturday, as provided by AccuWeather.



North America
Seasonable and unsettled in the East Thursday, then colder Friday and Saturday. The Great Lakes, Northeast and mid-Atlantic will turn bitterly cold Friday and Saturday as the core of the arctic air moves eastward from the Plains. Mainly dry and seasonable across the Rockies and West.

Europe
Much of Europe will be dry with near- to above-normal temperatures through Saturday. However, showers will affect the British Isles Friday and Saturday; the showers will reach Paris Saturday. These near- to above-normal temperatures will even push into western Russia, including Moscow.

Asia
Beijing and Seoul will be near to even a bit above normal Thursday with showers or flurries, then will turn much colder through Saturday. Seasonable in Tokyo through Saturday with showers possible Friday. Seasonable in Hong Kong as well with a shower possible each day.

Europe

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Algarve	15/59	12/53 sh	16/61	11/52 c
Amsterdam	7/44	0/32 pc	6/43	1/34 pc
Ankara	3/37	-1/31 sf	1/34	-6/22 c
Athens	11/52	5/41 pc	13/55	6/46 s
Barcelona	12/53	6/41 pc	10/50	6/43 sh
Belgrade	6/43	1/34 pc	8/46	1/34 pc
Berlin	4/39	0/32 pc	6/43	1/34 pc
Brussels	9/48	2/35 pc	9/48	2/35 pc
Budapest	4/39	1/34 pc	8/43	2/35 s
Copenhagen	8/46	2/35 pc	8/46	2/35 pc
Costa Del Sol	15/59	12/53 r	16/61	6/46 sh
Dublin	13/55	7/44 pc	11/52	7/44 sh
Edinburgh	11/52	5/41 c	9/48	5/41 pc
Florence	11/52	4/39 s	12/53	4/39 s
Frankfurt	1/34	-4/25 pc	3/37	-1/31 pc
Geneva	7/44	0/32 s	6/43	0/32 s
Helsinki	3/37	-3/27 pc	1/34	-7/20 pc
Istanbul	7/44	2/35 c	7/44	4/39 pc
Las Palmas	21/70	17/62 pc	22/71	18/64 pc
Lisbon	13/55	11/52 sh	15/59	10/50 sh
London	9/48	5/41 c	11/52	4/39 pc
Madrid	15/59	5/41 pc	12/53	6/43 sh
Mallorca	12/53	6/43 pc	9/48	7/44 sh
Milan	9/48	1/34 s	9/48	1/34 s
Moscow	-6/22	-10/15 pc	-1/31	-6/22 sn
Munich	8/46	1/34 s	8/46	-1/31 s
Nice	13/55	6/43 pc	13/55	6/43 s
Oslo	7/44	0/32 pc	4/39	-1/31 sn
Paris	3/37	-1/31 pc	7/44	-1/31 pc
Prague	-4/25	-11/13 s	-1/31	-7/20 pc
Reykjavik	-7/20	-8/18 pc	2/35	1/34 c
Rome	12/53	3/37 s	14/57	6/43 s
St. Petersburg	2/35	-3/27 sn	1/34	-3/27 sn
Stockholm	7/44	2/35 pc	6/43	1/34 c
Strasbourg	7/44	1/34 s	7/44	2/35 pc
Tallinn	3/37	-1/31 pc	3/37	-5/22 pc
Venice	11/52	4/39 s	12/53	3/37 s
Vienna	1/34	-3/27 c	8/46	3/37 c
Warsaw	2/35	-2/29 pc	4/39	1/34 c
Zurich	7/44	1/34 s	6/43	1/34 s

Middle East

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Abu Dhabi	26/77	16/61 s	28/79	18/61 s
Beirut	16/61	12/53 sh	15/59	8/46 sh
Cairo	19/66	8/46 s	17/62	8/46 pc
Damascus	15/59	3/37 pc	9/48	3/35 sh
Jerusalem	13/55	3/37 pc	9/48	2/35 sh
Luxor	23/73	4/39 pc	22/71	4/39 s
Riyadh	24/75	13/55 pc	26/79	12/53 pc

Asia

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Bali	33/91	23/73 c	33/91	22/71 pc
Bangkok	31/88	23/73 s	31/88	21/70 pc
Beijing	4/39	-4/25 s	7/44	-3/27 s
Bombay	28/82	14/57 s	27/80	13/55 s
Calcutta	21/70	12/53 sh	21/70	9/48 pc
Chiang Mai	32/89	18/64 s	31/88	20/68 pc
Colombo	29/84	23/71 pc	29/84	21/70 pc
Hanoi	23/73	17/62 pc	22/71	13/55 pc
Ho Chi Minh	32/89	21/70 s	32/89	22/71 pc
Hong Kong	20/68	16/61 pc	20/68	16/61 pc
Islamabad	18/64	3/37 pc	18/64	3/37 pc
Jakarta	30/86	24/75 t	29/84	24/75 t
Karachi	24/75	8/46 s	24/75	8/46 s
K. Lumpur	31/88	22/71 pc	31/88	22/71 c
K. Khabalu	30/86	24/75 pc	31/88	24/75 sh
Manila	29/84	21/70 pc	29/84	20/68 pc
New Delhi	20/68	3/37 pc	22/71	3/37 s
Phnom Penh	33/88	21/70 s	31/88	22/71 pc
Phuket	31/88	23/73 s	31/88	21/70 pc
Rangoon	32/89	20/68 s	30/86	21/70 pc
Seoul	2/35	-7/20 pc	3/37	-8/22 pc
Shanghai	7/44	2/35 c	8/46	4/39 c
Singapore	31/88	24/75 pc	31/88	24/75 sh
Taipei	20/68	16/61 sh	22/71	16/61 sh
Tokyo	8/46	0/32 s	7/44	1/34 pc
Vientiane	22/71	16/61 pc	22/71	17/62 pc

Africa

Algiers	17/62	9/48 s	17/62	7/44 s
Cape Town	26/79	15/59 s	21/70	13/55 pc
Casablanca	17/62	11/52 sh	17/62	10/50 pc
Harare	28/82	11/52 s	31/88	11/52 s
Lagos	31/88	22/71 pc	29/84	23/73 pc
Nairobi	31/88	12/53 s	31/88	13/55 s
Tunis	14/57	6/43 pc	14/57	6/43 pc

Latin America

Buenos Aires	32/89	25/77 pc	33/91	20/68 pc
Caracas	29/84	22/71 pc	28/84	23/73 pc
Lima	27/80	21/70 c	28/82	21/70 pc
Mexico City	20/68	7/44 pc	20/68	6/43 pc
Rio de Janeiro	31/88	24/75 t	28/82	22/71 pc
Santiago	33/91	11/52 s	29/84	12/53 s

Oceania

Auckland	18/64	14/57 c	21/70	13/55 pc
Sydney	28/78	20/68 pc	28/77	18/64 sh

North America

	Today High C/F	Today Low W C/F	Tomorrow High C/F	Tomorrow Low W C/F
Anchorage	2/35	-4/25 sn	2/35	-4/25 c
Atlanta	10/50	6/43 c	8/46	-3/27 pc
Boston	3/37	0/32 pc	4/39	-7/20 sn
Chicago	-2/29	-9/16 sn	-8/18	-20/-3 pc
Dallas	9/48	-2/29 pc	1/34	-7/20 pc
Denver	4/39	-14/7 s	-7/20	-12/11 pc
Detroit	-2/29	-7/20 sn	-5/24	-14/7 c
Honolulu	25/82	20/68 pc	27/80	17/62 pc
Houston	11/52	4/39 c	7/44	-1/31 pc
Los Angeles	14/57	8/46 sh	16/64	8/46 pc
Miami	25/77	20/68 t	27/80	13/55 sh
Minneapolis	-7/20	-22/-7 sn	-17/2	-32/-14 pc
Montreal	-5/24	-9/22 sn	-8/18	-24/-11 c
Nassau	23/73	22/71 r	29/82	20/68 pc
New York	4/39	-1/31 pc	7/44	-4/25 sn
Orlando	24/75	16/61 sh	22/71	4/39 pc
Phoenix	16/61	6/43 pc	17/62	8/46 sh
San Fran.	10/50	4/39 sh	13/55	6/46 sh
Seattle	6/43	-1/31 s	7/44	1/34 s
Toronto	-3/27	-9/27 sn	-2/29	-17/2 pc
Vancouver	4/39	-3/27 s	8/43	3/35 sh
Washington	4/39	0/32 pc	9/48	-4/25 sh

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, I-Ice, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

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THE AMERICAS

Gingrich Defense Comes Under Fire

By John E. Yang
Washington Post Service

WASHINGTON — New revelations in the ethics case of the speaker of the House of Representatives, Newt Gingrich, have cast doubt on his defense that he did not intentionally mislead the House ethics committee and have enmeshed the committee's top Democrat in potential criminal charges involving an intercepted telephone call.

First came the disclosure that Representative Tom Campbell, Republican of California and a Stanford University law professor, told Mr. Gingrich in a closed-door meeting of House Republicans last week that he had spoken with the speaker's attorney and concluded that Mr. Gingrich intentionally lied to his lawyer and to the ethics committee. Later, the Florida couple who intercepted a telephone conference call of the speaker and his lieutenants said that they had given a tape of it to Representative Jim McDermott, Democrat of Washington, the ethics committee's top Democrat.

On the tape, made Dec. 21, Mr. Gingrich and his leadership team discuss how to limit the political and media damage from his admission that day that he had broken House rules.

On Friday, The New York Times published excerpts from the tape, which it said it obtained from a Democratic congressman.

"These are very serious allegations," said Representative Nancy Johnson, Republican of Connecticut and chairman of the ethics panel said. "I would need more information before commenting further."

It is a federal crime to "intentionally intercept" telephone calls or to "intentionally disclose" their contents if a person knows the information has been intercepted.

Amid all the turmoil, James Cole, the ethics committee's special counsel, was working on his written report detailing the findings of his investigation of Mr. Gingrich. The report is due to be released Thursday, with the case getting a public airing in televised hearings at least Friday and Saturday, a source close to Representative Johnson said. House Republican leaders have scheduled a vote Tuesday on punishing Mr. Gingrich.

The political impact of all this appears to be mitigated by the fact that Congress is in recess and lawmakers are scattered around the globe.

The first surprise of the day came with the current issue of Legal Times, a weekly newspaper for the Washington legal community.

The paper reported that in the closed-door meeting of House Republicans the night before the speaker's re-election, Mr. Campbell told Mr. Gingrich he had spoken with Jan Baran, who was the speaker's lead attorney in the ethics case until last month, and concluded that the speaker had lied to him and the ethics panel.

Afterward, the paper reported and lawmakers confirmed, Mr. Gingrich angrily said that Mr. Baran had a malpractice problem.

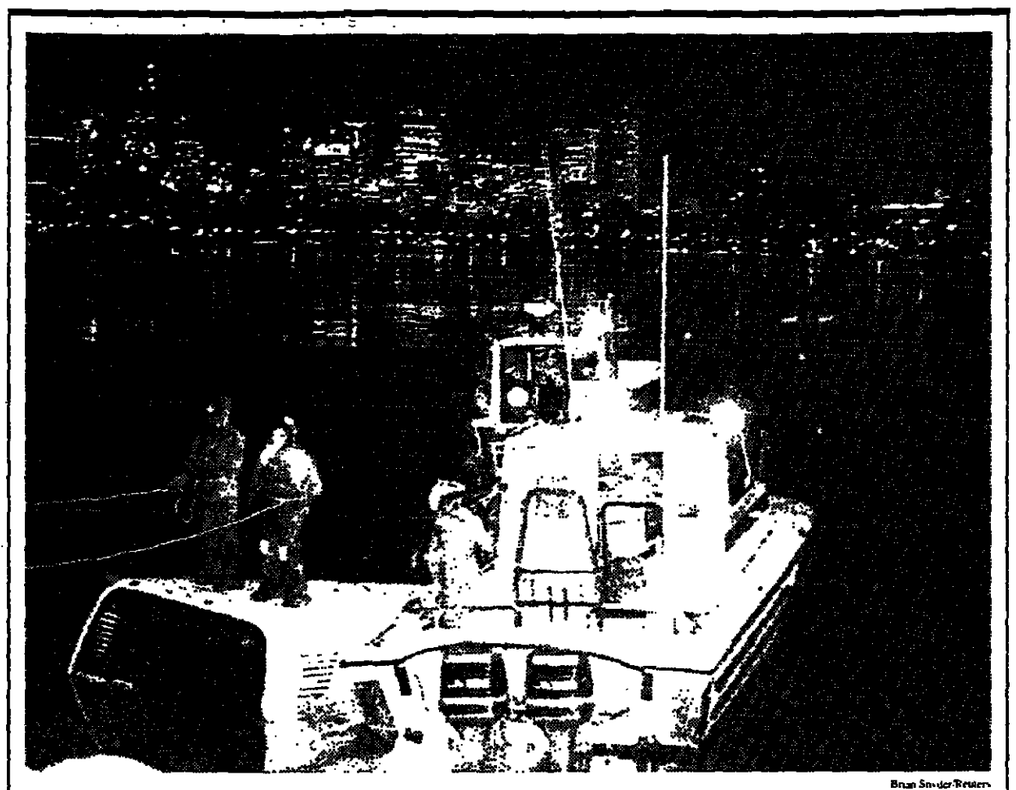
The only reason Mr. Baran still represents him, the congressmen recalled Mr. Gingrich as having said, was that his firm had all his documents in the case.

The exchange came after Mr. Gingrich had spoken and taken questions from congressmen for nearly two hours and after many had left.

Panel Member Resigns

The Associated Press

WASHINGTON — The House ethics committee's ranking Democrat removed himself Tuesday from the investigation of Newt Gingrich, bowing to pressure over his role in the handling of a taped phone call involving the House speaker. Representative Jim McDermott, Democrat of Washington, said he would step aside "as a matter of conscience" less than a week before the panel votes on penalties for Mr. Gingrich's violation of House rules.



Brian Snyder/Reuters

RUNAWAY BUS RECOVERED — Police divers retrieving a bus Tuesday that careened across a road and into the Charles River in Boston. The driver drowned. There were no passengers aboard.

POLITICAL NOTES

Women Snub Jones

WASHINGTON — In early 1994, an Arkansas attorney, Daniel Traylor, was trying to develop a legal case for Paula Corbin Jones, who had publicly accused President Bill Clinton of sexual misconduct. He contacted women's groups for help.

"I got little or no encouragement from any of them," said Mr. Traylor, who no longer represents Ms. Jones, the former Arkansas clerical worker who filed her sexual harassment lawsuit on May 6, 1994.

Now, the relative silence of national women's organizations in the Jones-Clinton episode has reopened a debate about whether partisan politics has clouded the judgments of women's organizations.

The new round of sparring between conservative supporters of Ms. Jones and feminist leaders came as the Supreme Court heard arguments Monday on whether a president should have the right to postpone a civil trial until after he leaves office.

Ms. Jones's attorneys have accused women's rights advocates of hypocrisy for not joining their client's case, though they quickly jumped to the rescue of Anita Hill after she publicly accused the Supreme Court nominee Clarence Thomas, a conservative, of sexual harassment.

Women's groups often file "friend of the court" briefs in cases involving sexual harassment, discrimination and abortion. But no groups have signed on to Ms. Jones's case, either because the cases are different, they say, or because conservatives have tainted Ms. Jones's case by making a political issue out of it.

"This is a tough call for women's groups," said Nancy Long, president of the Women's Bar Association of Washington, "because there's always going to be the question of credibility. She's up against the president of the United States."

In 1991, women's organizations rallied behind Ms. Hill, saying she had a right to be heard before the Senate passed judgment on Mr. Thomas's fitness to serve on the Supreme Court. In Ms. Jones's case, they say, she is already guaranteed a hearing because her case is in the legal system. The question is not whether she will be heard, but when.

Eleanor Smeal, president of the Feminist Majority, said it seemed like Ms. Jones's conservative supporters were using her case to score political points — starting with the forum in which Ms. Jones unveiled her allegations on Feb. 11, 1994: a conference in Washington of the Conservative Political Action Committee. *(WP)*

Clinton Picks Romer

WASHINGTON — Roy Romer, the 68-year-old governor of Colorado, is President Clinton's choice to be the chairman of the Democratic National Committee, a senior White House official and Mr. Romer's office say.

Because Mr. Romer, now in his third term, plans to continue serving as governor, Mr. Clinton intends to name Steve Grossman, a Massachusetts businessman and Democratic fund-raiser, to run the committee's day-to-day operations, the official said. Both men have been offered and accepted the jobs, the official said.

The 430 members of the Democratic National Committee are scheduled to ratify the president's choices Jan. 21 in a meeting in Washington.

The two men will take the reins as the party is beset by questions about its financing practices during last year's campaign. Beginning in the summer of 1995, the Democrats raised tens of millions of dollars in so-called soft-money donations to finance an extraordinary advertising campaign promoting Mr. Clinton. Already, they have had to return $1.5 million found to have come from questionable sources. *(NYT)*

Quote/Unquote

Anthony Rodham, a consultant in Miami and brother of Hillary Rodham Clinton, saying he rejected more than $100,000 that he was offered to arrange for the president of Paraguay to meet with President Clinton: "They wanted to pay me off, and you just don't pay me off." *(AP)*

John Q. Citizen and Wife

Florida Couple Tell How They Taped the Speaker

By Rick Bragg
New York Times Service

GAINESVILLE, Florida — John Martin said he and his wife, Alice, were on their way to Jacksonville, Florida, to do some Christmas shopping on Dec. 21 when they picked up a "part of history" on their hand-held police scanner.

What they heard was Speaker Newt Gingrich discussing with other high-ranking House Republicans how to react to ethics committee charges against him. It was the same day that he had promised not to use his office and allies to orchestrate a response to those charges.

When they recognized who was speaking on the cellular telephone transmission they had happened upon, "I was so excited to think I had actually heard a real politician's voice," said Mrs. Martin, standing shoulder to shoulder with her husband at a news conference here Monday about the tape, which has led to acrimonious charges by Republicans.

"We were thrilled," she said.

The middle-aged couple — he is a maintenance man at a school and she is a teacher's aide — are active in both the National Education Association and the Democratic Party in their home county in northern Florida, so they have a keen interest in politics.

Mr. Martin said they used a small tape recorder to record the conversation, planning to play back the voice of the famous politician someday for their unborn grandson, Matthew, who is due in three weeks.

But as they listened, they changed their mind. They took the tape to their representative, Karen Thurman, a Democrat, and later, on her advice, took the tape to the senior Democrat on the House ethics committee, Representative Jim McDermott.

They said they did not give the tape to the press but that politicians did.

"They did what good citizens ought to do, which was contact their congressperson," said the couple's lawyer, Larry Turner. "These folks are Mr. and Mrs. John Q. Citizen and did what we want citizens to do."

He said partisan politics did not play a role in their decision to come forward.

The New York Times reported last Friday that a couple in Florida unsympathetic to Mr. Gingrich had provided a tape of the telephone call from a police scanner that happened to pick up a cellular telephone transmission. The article also reported that a Democratic congressman had made a copy of the tape available to the newspaper.

It all seems unlikely that this unassuming couple from northern Florida, who just happen to be politically active Democrats, would eavesdrop on a high-level Republican conversation and tell about it.

But that is exactly what happened, Mr. Turner said.

"I feel we did the right thing," Mr. Martin said. He compared the situation to a scenario in which he overheard the president or some other high-ranking official discussing an issue of national security with a foreign enemy. It was his "civic duty" to tell, he said.

The couple could face prosecution — and indeed some Washington Republicans are insisting on it — although Mr. Turner said no charges had been filed so far. It is a violation of state and federal law to eavesdrop on a cellular or hard-wired telephone conversation intentionally.

Mr. and Mrs. Martin said they never believed that it would lead to this, when they recognized that voice. (Their lawyer would not permit them to use the speaker's name in the news conference.)

Mr. Martin once served as treasurer of the Columbia County Democratic Executive Committee and Mrs. Martin was once its secretary.

Political activism is almost a hobby with the couple. They eat meals with political programs playing on the television in the background. He said their two children used to kid them about it.

Another hobby is their scanner. They pick up all kinds of transmissions, and bought a newer, more powerful unit over Christmas.

"To the horizon," he answered, when asked its range.

Photographer Says He Saw Simpson Wearing Shoes Like Those of Killer

The Associated Press

SANTA MONICA, California — O. J. Simpson's defense team rested its case Tuesday and the plaintiffs launched a rebuttal to defend the integrity of photos of Mr. Simpson purportedly wearing the same model shoes as the killer of his ex-wife.

E. J. Flammer, a Buffalo, New York, free-lance photographer, testified that he took 30 pictures in 1993 that show Mr. Simpson wearing what the plaintiffs claim are a rare model of Bruno Magli shoes.

To prove that he took the pictures, which he only recently discovered among old files, Mr. Flammer presented the negatives, a dated invoice for the photo assignment and a copy of the Buffalo Bills newsletter, which published one of the pictures in its November 1993 edition.

Mr. Flammer leafed through enlargements of all 30 pictures and told the jury, "Those were the photos that I took that day."

He said he recently discovered the negatives in a binder in his basement darkroom and provided copies to the plaintiffs in the wrongful death civil suit against Mr. Simpson. The former football star was acquitted of the June 12, 1994, murders of Mrs. Simpson and her friend, Ronald Goldman, in October 1995.

The color pictures were taken Sept. 26, 1993, at the Bills' Rich Stadium in Orchard Park, New York, and show Mr. Simpson standing with members of the teams' booster club called the "Monday Morning Quarterback Club," Mr. Flammer said.

Mr. Simpson's shoes can be seen clearly in each full-length shot and plaintiff lawyers said they would call an FBI shoe analyst to testify that the loafers were the same kind that left bloody imprints near the bodies of Mrs. Simpson and Mr. Goldman.

Mr. Simpson has denied ever owning that style of Bruno Magli shoes.

Mr. Flammer said his pictures were taken on the same day, before the same game and at the same stadium as a photo shot by free-lancer Harry Scull. Mr. Simpson's defense has branded a photo taken by Mr. Scull a fake.

The Simpson defense has yet to call any witnesses questioning the Flammer photographs.

Mr. Flammer is among the most important witnesses of the plaintiffs' rebuttal case, which is expected to wrap up this week, with closing arguments scheduled next week.

Defense lawyers rested their case Monday after Mr. Simpson's older daughter testified about the shock, confusion and fear she felt when she learned of Mrs. Simpson's slaying, and about the police contradictions that followed.

Arnelle Simpson was the last of 39 defense witnesses called by attorneys trying to convince jurors that Mr. Simpson was victimized by police ineptitude and wrongdoing. She was the first defense witness called in her father's criminal trial.

Arnelle Simpson told jurors about the emotionally wrenching moment when Detective Tom Lange told her about her stepmother's death.

"He said that she had been killed at her house and that there was somebody else with her," Arnelle Simpson said.

"How did you react?" asked Dan Leonard, a defense attorney.

"I was shocked," she said. "I was stunned. I was upset, confused, scared."

She contradicted detectives' accounts of some of their actions at Mr. Simpson's estate the morning after the slayings.

Arnelle Simpson said she spoke with Mr. Lange after four detectives arrived at her father's estate early on June 13. She said two of them, Mr. Lange and his partner, Philip Vannatter, knocked on her door and asked her where her father was.

"I told them I didn't know where he was, but that I knew somebody who could get in touch with him," she said, referring to Mr. Simpson's personal assistant, Cathy Randa.

Arnelle Simpson said she led the detectives from the back area, where she lived in a guest house, around to the front of her father's home and let them in.

That testimony contradicts the account of Mr. Lange and other detectives who said Arnelle Simpson let them in through a back door. Arnelle Simpson said she did not let them in that way because she assumed the back door was locked from the inside.

Earlier, the defense recalled onald Thompson, a police officer and witness for the plaintiffs, to describe how, under orders from Mr. Vannatter, he handcuffed Mr. Simpson when Mr. Simpson arrived at his home after taking a flight back from Chicago the day after the killings. Mr. Vannatter denied giving such an order.

Mr. Simpson stepped down from the stand Monday after more than four days of testimony during the past six weeks. He denied again that he was a killer.

Before he stepped down, Mr. Simpson was shown an angry letter Mrs. Simpson wrote to him in which she said that Mr. Simpson had beat her and then lied about it at a hospital, calling it a bicycle accident. She wrote that she was so angry at him she was tempted to sleep with "every guy, including some that you know."

The undated letter, offered by the plaintiffs at the last minute, incited some of the angriest arguments of recent days between plaintiff and defense lawyers.

The judge ruled portions of the letter were admissible, but neither those portions nor the rest of the letter has formally been entered into evidence. It was unclear when — or if — that would occur. Jurors may get the entire letter to read later. Arguments about how much they get are yet to come.

Daniel Petrocelli, an attorney for the plaintiffs, quoted directly from the eight-page letter only twice during testimony Monday — one innocuous passage about when it was written and the words: "I've never loved you since or been the same."

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• **Hoping to cure the District of Columbia's financial woes, President Bill Clinton will propose a $3.9 billion plan that would give the federal government responsibility for tax collection, prisons and other major local services. The proposal will give the national government a dramatically larger role in district business.** *(AP)*

• **An apparent stall warning went off 17 seconds before Comair Flight 3272 crashed last Thursday near Detroit, killing all 29 people aboard. The flight from Cincinnati to Detroit appeared routine until the commuter plane rolled abruptly and nose-dived, investigators said.** *(AP)*

• **The death of a newly released California condor will not affect plans to introduce more of the endangered birds into the wild, officials say. The carcass of the 7-month-old male condor was discovered Friday at the base of Vermilion Cliffs, Arizona, where it and six other fledgling birds were released Dec. 12, wildlife officials said. The condor had a puncture wound in its skull, which may have been caused by the talon of a golden eagle.** *(AP)*

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FOR THE DISTRICT OF COLUMBIA

STEVE HIRSHON, DIANE ROSEN, on behalf of themselves and others similarly situated,
Plaintiffs,
v.
THE REPUBLIC OF BOLIVIA,
Defendant.

C.A. No. 1:95CV01957(SH)

SUMMARY NOTICE OF PENDENCY OF CLASS ACTION AND HEARING ON PROPOSED SETTLEMENT

TO: **ALL PERSONS WHO HOLD REPUBLIC OF BOLIVIA 2 1/2%, 2 3/4% AND 3% *EXTERNAL SECURED SINKING FUND BONDS OF 1968, BOND SCRIP OF 1968* AND CERTIFICATES OF DEBT**

PLEASE BE ADVISED, that the plaintiffs have brought this lawsuit as a class action, on behalf of the class identified above, against the Republic of Bolivia. The plaintiffs claim that the Republic of Bolivia has breached its obligations under the terms of the Republic of Bolivia 2 1/2%, 2 3/4% and 3% External Secured Sinking Fund Bonds, Bond Scrip of 1968 and Certificates of Debt (collectively "the Bonds") since on or about October 1, 1989 when it stopped making interest payments. In addition, plaintiffs claim that the Republic of Bolivia breached the terms of the Bonds when it failed to redeem the Bonds on October 1, 1995. The Republic of Bolivia has denied any and all charges of wrongdoing or liability.

PLEASE BE FURTHER ADVISED, that on August 15, 1996, the parties entered into a Joint Stipulation of Settlement and Dismissal with Prejudice ("the Settlement Agreement") to settle the claims that were or could have been asserted in this action upon certain terms and conditions, subject to the approval of the Court. The Settlement Agreement sets forth that the Republic of Bolivia will redeem the Bonds for thirty-three percent (33%) of the outstanding principal amount of the Bonds, with no payment of interest or accrued interest due on the Bonds. The class members will receive this amount minus an amount for attorneys' fees and expenses.

PLEASE BE FURTHER ADVISED, that the Court has scheduled a hearing on the certification of this action as a class action for settlement purposes, the proposed Settlement, and on the issue of an award of attorneys' fees ("Settlement Hearing") at 1:30 p.m. on April 4, 1997 in Courtroom 14, United States District Court for the District of Columbia, 3rd and Constitution Ave., N.W., Washington, DC 20001. At the Settlement Hearing, the Court will consider whether the class should be certified; whether the proposed settlement of the class action should be approved as fair, reasonable and adequate; whether the class action should be dismissed on the merits and with prejudice against the defendant in accordance with the terms of the Settlement Agreement; and whether to approve an application of plaintiffs' counsel for an award of attorneys' fees and expenses incurred in connection with the class action.

A description of the proposed settlement and the claims to be compromised, and details of other significant matters, is contained in a detailed written Notice of Pendency of Class Action and Hearing on Proposed Settlement ("Notice"), which has been mailed to identifiable class members.

In order for a class member to share in the proceeds of the settlement, that person must complete and submit a valid Statement of Claim and Release form and submit the Bonds to the Bank of New York by July 3, 1997.

If you have not yet received a copy of the Notice and Statement of Claim and Release form, you should obtain a copy by contacting plaintiffs' counsel, Shapiro Haber & Urmy LLP, Attention: Rosalind Horn, 75 State Street, Boston, MA 02109, telephone 617-439-3939, facsimile 617-439-0134. For further information, you may also contact plaintiffs' counsel.

PLEASE DO NOT CALL THE COURT, THE CLERK'S OFFICE, OR THE ATTORNEYS FOR THE REPUBLIC OF BOLIVIA FOR INFORMATION.

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EUROPE

Bulgarian Opposition Demands Vote by May

The Associated Press

SOFIA — Fueled by the anger and poverty of the streets, the opposition demanded Tuesday that Bulgaria's beleaguered former Communists face the verdict of voters no later than May.

Both the opposition and the governing Socialists, the Communists' successors, appeared to be searching for a formula to defuse a week of daily protests. They have agreed in principle that elections should be held before December 1998, when they are next due.

But they remain far apart on a date. Backed by protesters, the opposition blames the Socialists for Bulgaria's economic mess and wants them out of office as soon as possible. The Socialists say the economic chaos is so bad that elections cannot be held before next year.

Bulgarians are angry about a breakdown in law and order, and an economic nosedive that has left average wages equal to about $20 a month, inflation at 300 percent and the country in danger of default on its $10 billion foreign debt. Seven years after Bulgaria removed its hard-line Communist leadership, 90 percent of the economy still is state-owned.

Unions representing nearly a quarter of Bulgaria's 8.5 million people say they will strike Wednesday to force the Socialists from power.

In remarks published Tuesday, outgoing President Zhelyu Zhelev warned that Bulgaria was in danger of failing the economic and political tests of post-Communist transition, and could "explode" if the Socialists formed a new government.

The opposition Union of Democratic Forces said that Parliament should be dissolved no later than March to clear the way for elections by May.

Mr. Zhelev's successor, Petar Stoyanov, appealed Tuesday to both the Socialists and the opposition to "listen to the voice of the protesting Bulgarian citizens" and begin a common search for ways to save the country.

Mr. Zhelev, a former dissident who leaves the largely ceremonial office of president at the end of the week, has refused to give the Socialists the mandate for another government.

He told the daily Kontinent that the Socialists themselves were to blame for the troubles, and that he would not give their candidate, Interior Minister Nikolai Dobrev, a mandate to govern.

"If a mandate is given now unconditionally, the country will explode," Mr. Zhelev said. Falling living standards have left people desperate, even Socialist Party supporters, he added, and the country is ready for a much deeper change than just a change of government.

"Bulgaria is the first post-Communist country which failed in its transition to a market economy, and is on its way to failing in the transition to democracy," said Mr. Zhelev.

AFP

WINNER — Jose Maria Gil-Robles Gil-Delgado of Spain wiping away a tear after he was elected European Parliament president on Tuesday.

Legislator Seeks to Force Out Yeltsin

By David Hoffman
Washington Post Service

MOSCOW — A Communist member of Russia's lower house of Parliament proposed Tuesday that the hospitalized President Boris Yeltsin be relieved of his duties because of poor health.

While the suggestion from Viktor Ilyukhin, chairman of the State Duma's security committee, has virtually no chance of approval any time soon, it was the latest sign of political restlessness among Mr. Yeltsin's rivals, who have been increasingly outspoken since he fell ill with pneumonia last week.

The Kremlin press service said Tuesday evening that Mr. Yeltsin's health had improved and that his physical activity had increased. It said that Mr. Yeltsin met for 40 minutes at the Central Clinical Hospital with head of his administration, Anatoli Chubais, and spent two hours working on documents.

After initially saying last week that Mr. Yeltsin had the flu, his doctors acknowledged that he had "moderately grave" double pneumonia.

Mr. Yeltsin's latest ailment has uncorked the sniping and jockeying that was so common before his quintuple heart bypass surgery Nov. 5. Although Mr. Yeltsin was re-elected in July and inaugurated in August for a second term, he has spent little more than two weeks working in the Kremlin since that time.

For more than a year, and without success, Communists have been demanding that Mr. Yeltsin quit because of illness, and the president's charismatic critic, the retired general Alexander Lebed, has also demanded that the Kremlin chief step down.

Mr. Ilyukhin circulated a draft resolution calling on Parliament members "to regard the powers of the president as prematurely terminated due to his consistent inability to perform his duties for health reasons," Interfax reported. His proposal would effectively trigger the untested constitutional process for handing over power to Prime Minister Viktor Chernomyrdin.

The Communist speaker of Parliament, Gennadi Seleznyov, was circumspect. He said that the proposal would be sent to a legal committee for study, and then distributed to the various factions, of which the Communists are the largest. Only after that process — which he said could take a week — might the issue come up on the floor.

Mr. Seleznyov noted that the constitution's provisions on terminating the president's term are "very vaguely written," and need clarification.

In fact, the Russian Constitution, tailor-made for Mr. Yeltsin after a violent confrontation with an earlier parliament in 1993, does not say who decides that the president is incapacitated. It says only that his powers "shall be terminated" if he suffers "sustained inability due to health," or if he is impeached.

Mr. Yeltsin's aide in the parliament, Alexander Kotenkov, rejected the motion as "legally groundless," and accused the president's rivals of trying to "aggravate the political situation in the country." He contended that only Mr. Yeltsin himself could decide to terminate his powers.

■ A Ukrainian View on Alliances

The Ukrainian foreign minister, Hennadi Udovenko, said Tuesday that he recognized the right of Russia and Belarus to unite but warned Moscow to respect Ukraine's own choice to join whichever alliance it wished, Reuters reported from Budapest.

Mr. Yeltsin sent a letter to his Belarussian counterpart, President Alexander Lukashenko, on Monday saying that both states should consider the idea of a referendum over unification "in one form or another."

Every country "has the right to form an alliance with other countries," Mr. Udovenko said during a two-day visit to Hungary. "However, we would like other states to acknowledge the fact that we have the right not to join and it is important that other states should not have the right of veto."

German Party Replies To Scientology Backers

By John Schmid
International Herald Tribune

FRANKFURT — Chancellor Helmut Kohl's Christian Democratic Party on Tuesday issued an indignant response to a group of prominent American entertainment industry figures who compared Germany's assaults on Jews under Hitler to its current stance toward Scientologists.

"The historical parallels in your letter are absurd," Johannes Gerster, a member of Mr. Kohl's conservative party, wrote to the 34 Americans who signed an "open letter" to Mr. Kohl last week that charged: "In the 1930s, it was the Jews. Today, it is the Scientologists."

The letter, whose signers included the actors Dustin Hoffman and Goldie Hawn as well as filmmakers, writers and entertainment executives, appeared as an advertisement in the International Herald Tribune.

Mr. Kohl had called the letter "rubbish" and declared that its authors "do not know anything about Germany."

Cataloging the German government's objections to Scientology, which he calls a "totalitarian organization," Mr. Gerster urged those who signed the letter to visit Germany to understand that it operates as a "stable democracy which respects and protects the freedom of its citizens."

"I am shocked and sad at the level of ignorance that you displayed in your letter to the German chancellor," wrote Mr. Gerster, who heads the party's advisory committee on domestic policy issues.

Mr. Gerster asserted that Scientology "is not a church, at least not in Germany."

His letter cited a March 1995 ruling by a Federal Labor Court, which found that Scientology has primarily economic goals, and a separate June 1996 ruling by another German court that upheld the right of Labor Minister Norbert Bluem to use phrases such as a "contemptuous cartel of oppression" to describe the Scientology organization.

BRIEFLY EUROPE

Reprieve in East Mediterranean

ATHENS — A U.S. envoy said Tuesday that the Cyprus missile crisis was over and that "soaring tensions" in the Eastern Mediterranean had been brought under control for the time being.

"The purpose of my trip to the region was to as much as possible reduce tension that really soared this year," said the envoy, Carey Cavanaugh, after meeting with the general secretary of the Greek Foreign Ministry, Alexandros Filon.

He said positive steps had been taken during talks Monday to reduce tension between Greek and Turkish Cypriots.

Mr. Cavanaugh said he had received assurances from the Greek Cypriot president, Clafcos Clerides, that recently purchased Russian anti-aircraft missiles would not arrive on the island for at least 16 months.

"I think there is time to work on a solution of the problem," he said. *(Reuters)*

Swiss Bank Archives Discarded

ZURICH — Switzerland's biggest bank acknowledged Tuesday that material from its archives had been disposed of in violation of a government ban on the destruction of records that might reveal details about financial transactions during the Nazi era.

Union Bank of Switzerland said one of its employees had thrown away documents last week in violation of bank policy, apparently thinking they were unimportant.

Some of the documents were destroyed. The rest were found by an employee of a private security firm guarding the bank premises and given to representatives of the Jewish community in Zurich. They alerted the police.

The government banned destruction of archival material last month as part of investigations into allegations that Switzerland had colluded with Nazi Germany, siphoned off Jewish assets and laundered Nazi gold. *(AP)*

'Mad Cow' Study Traces Feed

PARIS — A French parliamentary inquiry into "mad cow" disease has found evidence that suspect, relabeled British feed may have been imported into France in the late 1980s through Belgium, the newspaper Le Monde reported Tuesday.

It said the draft report of a National Assembly inquiry panel had examined allegations that Belgium was a "hub for the movement of British bone meal trying to lose its identity" from 1988 onward.

The recycling of animal parts into feed is the main suspected cause of the spread of the disease, bovine spongiform encephalopathy. *(Reuters)*

2 Indicted on French Wiretaps

PARIS — Two former senior French officials have been charged over a wire-tapping scandal involving a presidential anti-terrorist team in the 1980s, judicial sources said Tuesday.

Paul Barril, a former gendarme chief and member of the Elysee Palace team, was charged with receiving computer data obtained illegally. Michel Delebarre, former chief of staff for Pierre Mauroy, prime minister at the time, was charged with conspiring to violate privacy.

An investigating magistrate, Jean-Paul Valat, informed them of the indictments on Jan. 9, the sources said. *(AFP)*

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ASIA/PACIFIC

South Korea Strike Disappoints Unions

Protest Fails to Paralyze Nation

Compiled by Our Staff From Dispatches

SEOUL — White-collar workers joined 40,000 car and shipyard workers in protests Tuesday, but the strike did not live up to predictions that it would be the biggest in South Korea's history.

Military specialists on standby to run trains and telephone services were never needed as union threats of a crippling strike fizzled.

At Pagoda Park in Seoul, several thousand bank tellers and securities company workers wore black ties and black silk ribbons, saying they were mourning the death of democracy exemplified by the government's secretive passage of labor laws opposed by trade unions.

The labor law, approved Dec. 26 in a parliamentary session attended only by members of the governing New Korea Party, permitted layoffs, breaking a tradition of jobs-for-life, and setting off a series of work stoppages. The government of President Kim Young Sam argues that flexible labor practices will trim corporate costs and improve international competitiveness as exports sag.

The rally against the labor legislation was intended to evoke memories of demonstrations in 1987, when white-collar workers joined factory hands and radical students to force the military-backed government of President Chun Doo Hwan to accept democratic reforms.

But banks stayed open, most factories were unaffected and apart from striking taxi drivers, public transport ran smoothly.

The lackluster response to a call by the official Federation of Korean Trade Unions for two days of "all out" stoppages indicated that the worker militancy that once toppled military rule may be a spent force.

Strike leaders also apparently failed to agree on whether to continue joint strikes.

Heads of the outlawed Confederation of Trade Unions, which has been leading the fight against the new law, had hoped to enlist the full support of the larger, government-approved federation in expanded strikes.

But after meeting with the confederation's leaders, the official federation said it had no plans to extend the two-day strike that began Tuesday. The new labor law continues the federation's monopoly as South Korea's only legal labor organization for the next five years, giving it little incentive to participate in an extended strike.

In by far the biggest protest of the day, about 40,000 workers rallied in a riverside park in the southeast city of Ulsan before marching to the city hall. No violence was reported but marchers, mostly from the giant Hyundai Group, hurled raw eggs at offices of the New Korea Party.

Office workers along the route threw open their windows and yelled, "We're on your side."

Militant workers skirmished briefly with riot police near a Seoul cathedral where union leaders have sought sanctuary from arrest for organizing the stoppages.

The official federation claimed that 420,000 of its 1.2 million members were on strike, but the Labor Ministry put the figure at just more than 50,000.

The confederation vowed its 500,000 members would go ahead with indefinite strikes starting Wednesday, and subway and bus drivers indicated they would stop work.

The Seoul government has prepared fleets of privately owned buses to run major routes, and subway operators have said nonunion drivers will be able to keep services running for several weeks, if necessary.

The government has threatened unspecified legal action against international labor leaders visiting Seoul in a gesture of worker solidarity, local news media reported.

John Evans, head of a labor advisory body to the Organization for Economic Cooperation and Development, which Seoul formally joined in December, said he had been questioned by immigration officials about his activities.

"This is completely normal," he said of his presence as a star attraction at worker rallies. "The abnormality is the attitude of the government." *(Reuters, AP)*

Alberto Marquez/The Associated Press

SQUATTERS' STANDOFF — Members of a demolition crew shielding themselves Tuesday in Manila as inhabitants of a Chinatown squatter colony stoned them. Dozens were hurt during the failed attempt by the police to clear squatter families from privately owned land.

Ignoring Beijing, Top Taiwan Aide Meets Pope

Compiled by Our Staff From Dispatches

ROME — Ignoring protests by China, Vice President Lien Chan of Taiwan met with Pope John Paul II on Tuesday and extended an invitation for him to visit the island. The meeting took place only hours after Beijing warned the Vatican against meddling in Chinese affairs.

The 35-minute audience at the Vatican made Mr. Lien, who is also prime minister, the most senior official of the Nationalist island to meet with the leader of the Roman Catholic Church.

Mr. Lien said that he had given the pontiff an invitation to visit Taiwan as part of a tour of Asia and that "the response was positive."

Mr. Lien described his time with the Pope as "very gratifying," but he declined to say whether he had discussed Chinese issues with the Pope or with his most senior aide, Cardinal Angelo Sodano, the Vatican's secretary of state.

"We spoke of the general situation in Asia and the world," Mr. Lien said. "I must say that on the issues raised, we were in agreement."

He acknowledged discussing "religious freedom" with Cardinal Sodano, adding that the issue was "currently very important."

The Vatican is one of 30 remaining states — and the only one in Europe — to maintain diplomatic relations with Taipei, but not with the Communist government in China. Beijing regards Taiwan as a renegade province of China.

Last week, the Vatican stressed that Mr. Lien's audience with the pontiff would be of a "private nature."

Mr. Lien said Taiwan had given the Pope a charitable contribution of $1 million during the audience. The Vatican said the Pope had passed along the gift to Cor Unum, the department that oversees charitable works, and that it would be used to help reconstruction in Bosnia and the Great Lakes region in Africa.

The spokesman for the Vatican, Joaquin Navarro-Valls, declined to comment after Beijing warned the Vatican "not to interfere" in Chinese diplomatic and religious affairs.

In Beijing, the Foreign Ministry spokesman, Shen Guofang, said: "The Vatican has expressed its wish to establish diplomatic relations with China. It must cut its ties with Taiwan."

A break with Taiwan "is the first condition for normalization of relations," Mr. Shen said. "And then, the Vatican must not interfere in Chinese religious affairs."

Roman Catholicism is virtually banned in China, where Beijing oversees a 3-million-member "patriotic church" that rejects the supremacy of the Vatican.

"Our religious system has been established according to our national situation," Mr. Shen said. "It is independent and autonomous."

Nevertheless, 3 million to 10 million people are said to belong to an underground Roman Catholic Church in China that does recognize papal authority. It is forced to hold its meetings in secret.

On Monday, the Pope said he would be watching with special interest when Hong Kong returns to Chinese rule on July 1.

Under a Chinese-British treaty from 1984, China is committed to upholding religious freedom in Hong Kong after Britain hands over control of the colony. *(AFP, AP, Reuters)*

BRIEFLY ASIA

Jiang Meets U.S. Lawmakers

BEIJING — President Jiang Zemin granted a rare meeting to members of the U.S. House of Representatives on Tuesday in a campaign aimed at strengthening ties with the American Congress.

Mr. Jiang was shown on state television receiving 22 representatives, the biggest U.S. congressional delegation ever to visit China.

"Improving Sino-U.S. relations and developing them on a healthy basis is in the interests of both countries," Mr. Jiang said. "I had very good discussions with President Clinton in Manila in November, and we reached some important understandings.

"The Chinese side is willing to grasp the present opportunities and, along with the United States, to reduce difficulties between our two countries." *(Reuters)*

Garbage Smuggler May Appeal

BEIJING — An American businessman sentenced to 10 years in jail for smuggling garbage into China will decide later this week whether to appeal, his lawyer said Tuesday.

William Ping Chen, 56, was sentenced Monday by a court in Shanghai for illegally importing 238 tons of trash, including banned household and medical waste, from the United States between July and December 1995.

Mr. Chen's lawyer, Yuan Jiyuan, said he would meet Mr. Chen on Thursday or Friday to discuss a possible appeal.

Mr. Chen was also fined 500,000 yuan ($60,047) and ordered out of the country. But it was not clear if he would have to serve his 10-year jail sentence before being expelled.

David Miller, a spokesman for the U.S. Consulate in Shanghai, said he understood that Mr. Chen would have to serve out his sentence. He said Mr. Chen was still in custody. But Mr. Yuan said Chinese judicial authorities could decide to expel Mr. Chen immediately. *(AP)*

Wellington Worried Over Waste

WELLINGTON — New Zealand has expressed strong concern to Tokyo about the planned route of a ship carrying processed nuclear waste from France to Japan, Foreign Minister Don McKinnon said Tuesday.

"What we want the Japanese to know is that we are concerned about the movement of the ship," Mr. McKinnon said.

He said other South Pacific nations were also concerned about the route of the British ship, the Pacific Teal, which left Cherbourg, France, on Monday. *(Reuters)*

For the Record

A bomb exploded in a Srinagar mosque in India's troubled Kashmir region Tuesday, killing three people and wounding at least four, police said. The bomb went off as worshipers prepared to break their Ramadan fast Tuesday evening, they said. *(Reuters)*

Warring Afghan factions held a second day of peace talks in Islamabad on Tuesday, and plan to continue negotiations Wednesday. *(Reuters)*

Japan appealed for volunteers Tuesday to help clean up bird sanctuaries smeared with oil leaking from a sunken Russian tanker. *(Reuters)*

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BOOKS

THE LETTERS OF NANCY MITFORD & EVELYN WAUGH

Edited by Charlotte Mosley. 531 pages, £25. Hodder & Stoughton.

Reviewed by Katherine Knorr

NANCY MITFORD and Evelyn Waugh were brilliant and prolific letter writers, informative, quick and vicious. They were both, in their own ways, curmudgeons and snobs who knew a few genuinely larger-than-life figures but a lot more people like Lady Diana Cooper who have become famous to the rest of us through the relentless biography industry.

Although Mitford and Waugh were very different people with very different political opinions, they were intimate correspondents and close friends. This long relationship is poignant and full of love. And bile. Much of the malevolence is uproariously funny, though totally politically incorrect, in some cases even at the time.

In fairness to both writers, it must be said that a lot of the humor hides sadness. One of the things that drew them together was a refusal to whine about the maudlin, especially in their own lives. These were lived with great but unsatisfying fame, which did not pay all the bills or make up for the fears and the griefs.

Waugh was a seriously troubled man whose relationships with his many children were complicated. At the end of his life, the letters reflect the increasing darkness that overtook him.

Mitford found love — as her heroine, Linda, does in "The Pursuit of Love" — with a man who was not by nature monogamous, to put it mildly. She lived in Paris to be close to Gaston Palewski, an aide to de Gaulle during World War II and later a French official, who was the love of her life and whom she fondly called the Colonel. To her great suffering, he married another woman in 1969, when she was ill with cancer.

Although Waugh and Mitford first met in 1928, the letters begin in 1944, when Waugh was stationed with Randolph Churchill in Croatia, and continue to his death in 1966. During that time, as reflected in the letters, Waugh wrote "Brideshead Revisited," "The Loved One" and "Officers and Gentlemen," among other books, and became increasingly famous and misanthropic. Mitford wrote "The Pursuit of Love" and "Love in a Cold Climate" and several biographies.

Throughout, there is much merciless fun made of a stellar cast including "Baby Randolph" Churchill, who in the early years covered here was married to the Hon. Pamela Digby, now Harriman; Lady Diana Cooper ("Honks"), Cyril ("Smarty Boots") Connolly; the Windsors in exile (Nancy wrote that the duke "knows hundreds of facts. Somebody mentioned the duc de Berry 'Murdered in 1824' he said at once.") or Mitford's husband, the good-looking, boring and ultimately pitiful Peter Rodd, or "Prod." There is also much running commentary about Mitford's father, Lord Redesdale, who is the model for the terrifying and hilarious Uncle Matthew in her novels. His feelings about foreign lands ("Abroad is a sewer") were not too far from Waugh's.

Waugh and Mitford made fun of each other, sometimes in jest, sometimes in earnest. He was stinging on her leftist political views and friends, and on what he considered ridiculous about the Colonel.

She is usually kinder, though she doesn't miss the target. In April 1952, she wrote: "Total to me is the mystery why you don't live in Ireland. I should have thought the round peg would have happily dropped into that round hole years ago. Never have I seen a country so much made for somebody as it is for you. The terrible silly politeness of lower classes so miserable that they long for any sort of menial task at £1 a week, the emptiness, the uncompromising Roman Catholicness, the pretty houses of the date you like best, the agricultural country for Laura, the neighbours all low-brow & armigerous & all 100 miles away, the cold wetness, the small income tax, really I could go on forever."

Waugh had a number of leitmotivs — some quite deep and thought through, some closer to pet peeves — and his letters are punctuated with cries of "Death to Picasso"; and strong words on the "frogs," Elizabeth Tudor and Vatican II. He was also, it seems from these letters, an excellent critic for Mitford; both uncompromising and kind, writing as a master to a student clearly not in his class. She did not take it all lying down, notably when he lectured her about Catholicism.

They were masters of the killer throwaway line. In March 1954 Mitford wrote: "Have you heard of the Abbé Pierre? They say he is the only man in Europe rich enough to keep Pam Churchill." (The Abbe Pierre is the French priest who has long campaigned for the poor, but most recently was involved in a scandal involving Holocaust revisionism. Time marches on.)

This book is intelligently and entertainingly prefaced and annotated by Charlotte Mosley, a journalist who is married to one of Mitford's nephews.

It ends sadly, with Waugh becoming increasingly weak and erratic. The dark humor never left him, however. In August of 1964, he wrote: "Seldom a week passes but I read of a contemporary acquaintance falling downstairs, usually fatally."

International Herald Tribune

BEST SELLERS

New York Times

This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

FICTION

This Week		Last Week	Wks on List
1	AIRFRAME, by Michael Crichton	1	4
2	EXECUTIVE ORDERS, by Tom Clancy	2	20
3	DESPERATION, by Stephen King	5	14
4	SILENT HONOR, by Danielle Steel	4	8
5	THE CHRISTMAS BOX, by Richard Paul Evans	3	22
6	THE CHRISTMAS TREE, by Julie Salamon	8	4
7	THE NOTEBOOK, by Nicholas Sparks	6	12
8	THE DEEP END OF THE OCEAN, by Jacquelyn Mitchard	9	16
9	THE REGULATORS, by Richard Bachman	12	14
10	THE FALLEN MAN, by Tony Hillerman	7	6
11	THE LAWS OF OUR FATHERS, by Scott Turow	11	11
12	MY GAL SUNDAY, by Mary Higgins Clark	10	11
13	THE RUNAWAY JURY, by John Grisham		23
14	"M" IS FOR MALICE, by Sue Grafton		7
15	THE THIRD TWIN, by Ken Follett	15	10

NONFICTION

1	A REPORTER'S LIFE, by Walter Cronkite	1	4
2	THE DILBERT PRINCIPLE, by Scott Adams	3	37
3	MY SERGEI, by Ekaterina Gordeeva with E. M. Swift	2	9
4	ANGELA'S ASHES, by Frank McCourt	4	17
5	DOGBERT'S TOP SECRET MANAGEMENT HANDBOOK, by Scott Adams	5	12
6	I'M NOT REALLY HERE, by Tim Allen	9	6
7	FOREVER, ERMA, by Erma Bombeck	6	9
8	LIVING FAITH, by Jimmy Carter	8	6
9	EVERYONE IS ENTITLED TO MY OPINION, by David Brinkley	7	7
10	DOWN IN THE GARDEN, by Anne Geddes	10	8
11	THE SOUL'S CODE, by James Hillman		8
12	SLOUCHING TOWARDS GOMORRAH, by Robert H. Bork	14	15
13	JAMES HERRIOT'S FAVORITE DOG STORIES, by James Herriot	12	15
14	UNDAUNTED COURAGE, by Stephen E. Ambrose	11	42
15	MY STORY, by Sarah, the Duchess of York, with Jeff Coplon	15	7

ADVICE, HOW-TO AND MISCELLANEOUS

1	MEN ARE FROM MARS, WOMEN ARE FROM VENUS, by John Gray	2	190
2	SIMPLE ABUNDANCE, by Sarah Ban Breathnach	1	40
3	MAKE THE CONNECTION, by Bob Greene and Oprah Winfrey	3	16
4	THE ZONE, by Barry Sears with Bill Lawren	4	43

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INTERNATIONAL

New Nicaraguan Leader Joins With Sandinistas To Tackle Land Disputes

Compiled by Our Staff From Dispatches

MANAGUA — President Arnoldo Aleman and the Sandinista leader he defeated have agreed in a meeting here to form a commission to study poverty and property — two issues threatening the country's stability.

Mr. Aleman and former President Daniel Ortega Saavedra made no further progress, however, on other issues, the president said late Monday.

The long-awaited meeting came three days after Mr. Aleman assumed the presidency. He succeeded President Violeta Barrios de Chamorro after winning an election in October in which Mr. Ortega finished second.

Mr. Aleman's decision to meet with Mr. Ortega came after the Sandinista warned earlier this month that Nicaragua could experience violence if the government followed policies that harmed the country's poor.

"We have agreed to maintain this communication, maintain this exchange, to later take concrete steps that will allow us to lay the basis for stability in Nicaragua," Mr. Ortega said after the meeting in Mr. Aleman's presidential office.

The meeting clearly eased tensions and brought relief to Mr. Aleman, whose power to govern effectively will depend on his ability to reach an agreement with the defeated but still powerful Sandinistas, analysts have said.

Even though its civil war ended seven years ago, Nicaragua remains polarized between the leftist Sandinistas and Mr. Aleman's rightist Liberal Alliance.

The commission will be led by Vice President Enrique Bolanos and a Sandinista leader, Bayardo Arce. It will tackle land disputes that stem from the Sandinista practice of redistributing property in the 1980s.

Titles to thousands of farms, businesses and houses are being contested by their original owners, many of them supporters of the deposed dictator, General Anastasio Somoza, and those who received them as a result of Sandinista expropriations.

A new law allows the former owners to get the properties back. *(AP, Reuters)*

Berlusconi Bloc Supports Panel On Constitution

Reuters

ROME — The opposition Freedom Alliance decided Tuesday to support a government proposal to set up a commission of both houses of Parliament to draft reforms to the constitution, an alliance leader said.

The center-right bloc will "give an indication" in favor of the commission, Pierferdinando Casini, leader of the Christian Democratic Center, said after alliance leaders met to iron out differences over which way to vote on the proposal.

The Senate is scheduled to vote Wednesday on establishing the commission. A vote in the Chamber of Deputies is set for next Tuesday.

Silvio Berlusconi's center-right Forza Italia party decided late Monday to back the bicameral commission. The hard-right National Alliance, which had favored a constituent assembly to draft the reforms, said Tuesday that it, too, had given its backing.

Giulio Maceratini, the National Alliance's Senate leader, said his party was satisfied because the whole bloc would press for guarantees that the National Alliance had demanded regarding the outcome of the reforms. Italy has sought to revise its 1948 constitution for years, but with scant progress. A two-thirds majority of the Parliament is required for constiutional changes.

"The battles will be done in the commission," said Giuliano Urbani, a Forza Italia member of Parliament. "It certainly won't be a walk in the park because we have to rebuild the state. However, at least we will lift the political debate to a higher level."

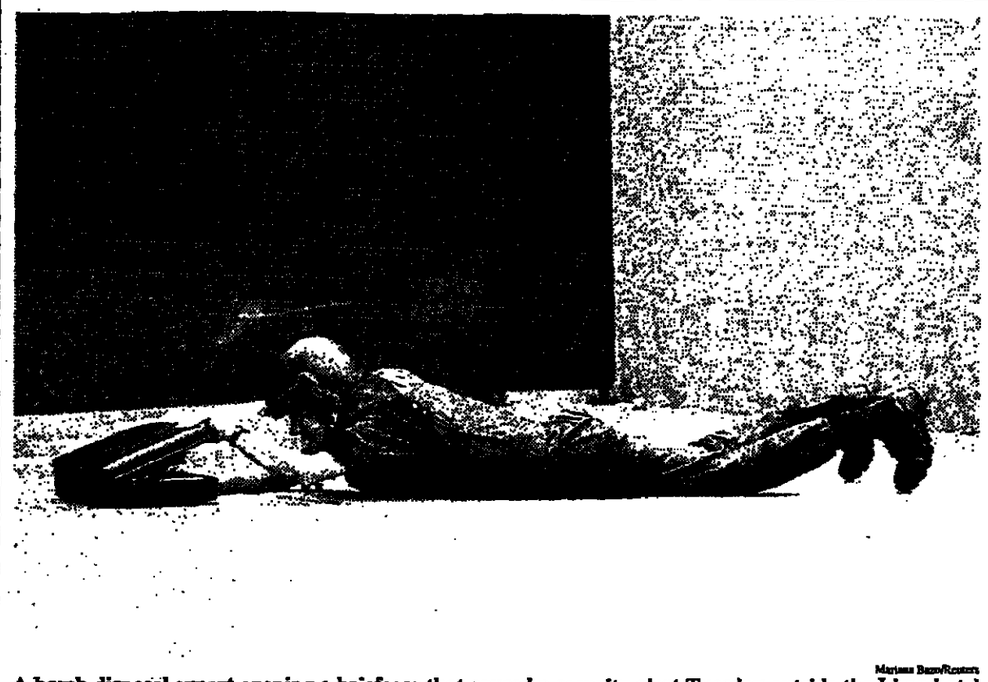
Bus Veers Off Nile Bridge, Killing 38 and Injuring 29

Reuters

CAIRO — A crowded public transport bus plummeted off a Cairo bridge onto the bank of the Nile on Tuesday, killing 38 passengers and injuring at least 29.

Police said the bus, with an estimated 70 people on board, veered off the Sahel bridge in the Cairo district of Rod el-Farag, flipping over several times before landing upside down on the Nile bank.

Rescue workers pulled out at least 30 bodies from the muddy banks of the river. Many died of suffocation or were crushed as the bus fell.



Mariana Bazo/Reuters

A bomb disposal expert opening a briefcase that caused a security alert Tuesday outside the Lima hotel where President Bucaram of Ecuador was staying. The case contained papers and other harmless items.

Tighter Security At Lima Siege Site

Agence France-Presse

LIMA — Security around the Japanese Embassy residence was visibly tighter Tuesday, with no freedom in sight for the 74 hostages held by leftist rebels for more than four weeks.

An army helicopter flew over the residence Tuesday morning as the police closed access to at least one additional street with a possible view toward moving the press away.

Before dawn, there were small blasts from what sounded like an air gun outside the embassy. But there was no confirmation of any gunfire inside the residence or by the police outside.

The prolonged hostage standoff provided the backdrop for a landmark visit here by President Abdala Bucaram Ortiz, the first by an Ecuadoran head of state. Peru and Ecuador fought a brief border war in 1995. President Alberto Fujimori of Peru had been using Mr. Bucaram's visit to show that his government was operating normally.

Shortly after Mr. Bucaram arrived Monday, the Tupac Amaru rebels fired several warning shots because they said the police violated an agreement to stay at least 100 meters from the residence.

AID: *Clinton Will Appeal to Congress for $1 Billion to Pay Off Most of U.S. Debt to UN*

Continued from Page 1

picture, the White House has devised a repayment plan under which only $100 million would be paid in the coming year. The remaining $900 million would be appropriated now in a separate measure but held back until 1999 as a lever to ensure that Mr. Annan carries out substantial reforms.

The idea would be to assure Mr. Annan and all UN member countries that Washington is committed to paying what it owes while using the lure of the cash to overcome resistance to substantial change, one official said.

For the current fiscal year, ending Sept. 30, Congress appropriated $18.1 billion for all international affairs spending: foreign aid, State Department operations, UN activities and contributions to international lending organizations such as the World Bank. These funds are administered by different departments but grouped in the budget in what is known as the "150 account."

For fiscal 1998, Mr. Clinton will propose to raise the 150 account to $19.3 billion, senior officials said. When the proposed UN repayment money is included, the total would rise to more than $20 billion.

That would still be about 25 percent less in real terms than the United States averaged in international affairs spending throughout the 1980s and would not be enough, according to a report issued Monday by an independent task force sponsored by the Brookings Institution and the Council on Foreign Relations.

The group concluded that "cuts already made in the international affairs discretionary account have adversely affected, to a significant degree, the ability of the United States to protect and promote its economic, diplomatic and strategic agendas abroad," the report said.

Dozens of former senior officials of both parties, academic experts and economists endorsed the report, including three former secretaries of state and two national security advisers.

BOMBS: *Terrorism Is Nothing New at Al Hayat, the Outspoken Arab Newspaper*

Continued from Page 1

shortly after 10 A.M., Al Hayat's opinionated reporters, editorial writers and technicians were practicing what the paper's unsigned editorial on the front page proclaimed Tuesday morning:

"There are no heroes among us, just working journalists whose mission is their work, nothing more and nothing less. The poison that does not kill makes you stronger."

At Al Hayat, going about business has meant making waves and breaking news, publishing interviews that go deeper and further than the competition, having the best cultural pages in the Arab world and opening opinion pages to reactionary Muslim fundamentalists and virulent anti-religious liberals, pro-Iraqi Arab nationalists as well as conservative Gulf Arabs.

In the words of an admiring competitor, Abdelbari Atwan, editor of the Palestinian daily Al Quds, which is also based in London, this activity adds up to "in all truthfulness, setting the speed of the race every morning."

Al Hayat is not one big happy family. It is a turbulent competitive newspaper where journalists compete amid fierce jealousies and angst.

On any given day, the columnist Abdelwahab Badrakhan, the paper's strident voice of Arab nationalism, bemoans the suffering to which Iraq's people are being subjected by a "genocidal," "uncaring" West, only to have Kamran Karadaghi, Al Hayat's Kurdish commentator, remind everyone in the next column how many of his people were gassed to death in the name of Saddam Hussein's "Arab nationalism" and demand that even more sanctions be imposed on Iraq.

On another page, Edward Said, the Columbia University professor who is a frequent contributor, denounces the Palestinian-Israeli peace process as a plot to liquidate the Palestinian people while Khirallah Khirallah, Al Hayat's managing editor, preaches that peace is the only option for Palestinians.

Who would want to teach Al Hayat a lesson?

It could be Algerian fundamentalists whose practices of cutting secularists' throats have been exposed dramatically in the paper. But it could also be Algeria's military government, which has been enraged by the newspaper's interviews with fundamentalist opponents, who fax their statements and give lengthy exposés of their accomplishments to Al Hayat's Muslim fundamentalist expert, Kamil Tawil— a Christian reporter.

It could also be Iraq, whose possession of a vast arsenal of missile and chemical weapons was exposed by Al Hayat's strategic affairs correspondent, Qassem Jaafar, in a front-page scoop months before the 1990 invasion of Kuwait.

The paper's editor, Jihad al Khazen, periodically conducts groundbreaking interviews with Arab presidents and kings who have come to use Al Hayat both as a means of passing messages to one another and to loft trial balloons that are carefully monitored by every Western embassy in Arab capitals and by Israel, where the intelligence system translates the newspaper's articles daily.

By worldwide standards, Al Hayat is a newspaper of modest circulation. Printing in London, Frankfurt, Bahrain, Cairo and New York, it has a distribution that does not exceed 200,000 copies a day at most. But it is, far and away, the best and most intensely read Arab paper.

Its ownership by Prince Khalid ibn Sultan, a nephew of King Fahd, has meant that it draws a line at negative news about Saudi Arabia. But it is far less subservient to Saudi interests and far less sensitive to Saudi objections than many other publications owned or controlled by Saudi interests.

The paper is not allowed to print in Saudi Arabia and is frequently banned or delayed by censors there, causing it significant financial losses.

By all accounts it is losing as much as $20 million a year. But with a personal fortune estimated at $2 billion, Prince Khalid has continued to finance it and remains largely on the sidelines, interfering only rarely to direct coverage.

BERLIN: *Showcase for the 21st Century*

Continued from Page 1

ted on 17 acres (7 hectares) at Potsdamer Platz. Once Europe's busiest intersection, Potsdamer Platz has been a wasteland since the Wall went up in 1961.

• New quarters for the German government are being prepared on a bend in the Spree River, near the renovated Reichstag that will again house Parliament. About 14,000 civil servants are expected to leave Bonn to take up residence in the new capital within the next three years.

"This is undoubtedly the largest urban makeover in modern history," said Michael Monninger, architectural critic for the German newsweekly Der Spiegel. "The reconstruction of Berlin exceeds what was carried out by Pope Sixtus V in 16th-century Rome, George Haussmann in 19th-century Paris, or Robert Moses in 20th-century New York. What emerges may not be beautiful, but it will certainly be exciting."

Not surprisingly, the process has been fraught with controversy. From the start, Hans Stimmann, the city planner who has served as Berlin's building czar, has tried to impose a blueprint reflecting the lines of traditional European urbanism and featuring low, modest buildings faced with stone, brick and glass.

Mr. Stimmann has been attacked by modernists and traditionalists alike. The first school claims he is striving to create a "New Teutonia" while suppressing the energy and imagination of those architects who represent Berlin's penchant for the avant garde. The historical school contends he has stripped Berlin of its soul by forbidding decorative touches that would recall the pre-World War I Belle Epoque and other eras of this city's Prussian heritage.

After being shoved aside temporarily, Mr. Stimmann has returned with a new master plan that he hopes will resolve some of the conflicts.

"Construction projects were done for many separate spots on the map, but they were never connected in an overall plan," Mr. Stimmann said in an interview. "These projects are like islands, and it is our goal to link them together in a harmonious way."

He also hopes the plan will stifle those critics who warned that the new city center would be a ghost town at night because there was too much office space. "I always wanted a higher percentage of apartments, but in the first years after unification, I could not get political support for more than 20 percent," he said. "Now everybody is convinced that is too little and we need at least 60 percent residential space for the city's historical center."

Mr. Stimmann seems resigned to further conflict, not least because most of the big-name architects taking part — I.M. Pei, Renzo Piano, Richard Rogers, Norman Foster, Helmut Jahn, Arata Isozaki and Philip Johnson — would like to make a huge splash with the kind of daring innovation that brought fame to Ludwig Mies van der Rohe, Walter Gropius and the Bauhaus School.

Mr. Stimmann also is bracing for further financial troubles. In the last two years, office rents have plunged by half, and more than 60 percent of available commercial space in the city center remains unoccupied.

Some of those worries may be alleviated once the government work force settles in Berlin, but there is still a gnawing concern that Berlin's ambition of becoming the new crossroads of Europe may remain unfulfilled.

During the 1920s, Berlin was the hub of German business, industry and the arts. But today's Germany is less centralized, and once the government moves to Berlin, other cities will try even harder to retain their identities and enterprises: Frankfurt its banks, Duesseldorf its fashion designers and advertisers, Munich its electronics and car makers, Hamburg its media and publishing companies.

Already, severe budget cutbacks due to the loss of subsidies are forcing Berlin's authorities to scale back some plans. But some urban planners say the austerity regimen has been useful in forcing a reassessment of Berlin's identity.

"The economic restrictions will make us define our priorities," said Falk Jaeger, a professor of architecture. "Now we will have more time, peace and quiet to contemplate it all. The old Berlin has such strength and character that it must be preserved. It makes no sense to build another Kuala Lumpur here."

BONN: *Will the Lights Go Out When the Government Leaves?*

Continued from Page 1

In the manner of this sleepy place — whose location in a valley of still river air does indeed induce torpor — some of those questions remain only partly answered.

The American schools, for instance, are merging this year with two British schools because the Pentagon has withdrawn financial support. Employees at the American Club have been told that their jobs tending tennis courts and serving Sunday brunch will not last forever.

In broader terms, city managers here have already formulated a strategy intended to make Bonn part residual government town, part international city and part cutting edge of modernity — in principle.

Bonn's mayor, Baerbel Dieckmann, met with United Nations officials in New York last Thursday to try to persuade them to locate a small UN agency, one that deals with the spreading of deserts, in verdant Bonn alongside two other modest UN agencies that have set up shop here.

Germany's postal services have promised to build a gleaming new high-rise as a landmark on the banks of the Rhine — bringing the number of tall buildings in the city, according to Werner D'Hein, the city spokesman, to a princely three. The tower, he said, will serve as an emblem of a future in service industries, software and specialized banking.

But, most of all, it will be the German government's velvet-gloves handling of a city that nurtured Germany's postwar democracy that will in theory tide Bonn over the worst of the change.

Mr. D'Hein refers to the Bonn transition as an unprecedented experiment. Other countries, he said, may have set up capitals like Abuja in Nigeria or Brasilia in Brazil as administrative centers and seats of government. But no one has moved back to a real capital from an invented one, splitting the labor between old and new.

"The greatest danger is in the area of image," Mr. D'Hein said in his 12th-floor office in one of the city's two existing high-rises.

"A lot of people say the lights will go out here. People will go to Berlin and then Bonn is dead."

But that, he insisted, will not be the case: A full two-thirds of the city's 25,000 government bureaucrats are to remain here to tend the seven ministries and other offices that will stay in Bonn as the trek to Berlin gets under way.

In addition, he said, there will be a data superhighway and video linkups between Bonn and Berlin so that officials can "work on the same document without sitting in the same room."

Not only that: A quarter of the $2 billion of government money promised to Bonn to cope with the change will be spent on research and other facilities at a proposed Center for Advanced European Studies and Research.

The university here, one of the largest in Germany with its 38,000 students, 600 professorships and 7,300 other employees, is to stay. And many embassies from poorer countries whose diplomats bought property here in better times and cannot afford to sell up or move on will remain in Bonn, too.

The counterargument is that the lure of Berlin will simply be too great, that even those ministries like Defense, Health and Environment, designated for Bonn, will gradually be drawn to Berlin because that is where the power will be, along with the money and the Parliament, not to mention the seat of government and the presidency.

That argument, however, omits one factor: the gritty thoroughness that official Germany brings to bear on the tasks entrusted to it.

Thus, Mr. D'Hein said, since the division of labor between Bonn and Berlin has now been settled at the highest level, that is how things will be.

"In the way Germans do, we have started it this way and we will carry it out this way," he said.

LEBED: *Ex-General Who Would Be Czar Feels His Hour Is Near*

Continued from Page 1

Mr. Lebed has issued a stream of similarly somber pronouncements lately, calling on Mr. Yeltsin to resign, insisting on constitutional change and skewering his dozens of bitter rivals. Then, in nearly the same breath, he turns cherubic and contrite.

"I haven't wished anyone ill for a long time already," he said shortly after offering gratuitously nasty characterizations of half a dozen well-known public figures. "I've had enough fighting. God forbid."

Mr. Lebed's rise to prominence was meteoric. His strong showing in the presidential election last summer won him fame and a job as Mr. Yeltsin's national security chief. He almost single-handedly brokered a peace deal with secessionist rebels in Chechnya last fall, thereby ending a bloody war.

But Mr. Lebed's flame burned out quickly. Unable to refrain from picking public fights with nearly anyone of power and prominence, he upstaged everyone, induced a sense of turmoil in high places and was fired by Mr. Yeltsin after less than four months on the job. Mr. Lebed's conduct, said the president, was intolerable.

It has not changed much. Out of power, he has been just as obstreperous, if somewhat less visible. But the strategy remains unchanged.

"The idea is to demonstrate he's different, alienated, victimized by the political class," said Andrei Piontkovsky, director of the Institute for Strategic Studies here. "He has very good chances because the party of power has discredited itself enormously — from the collusion of money and power, the inefficient economy and so forth. But he has also demonstrated that he's a nasty person with a very mean and vengeful character. Russian people are very sensitive to this, so I think he's damaging himself. He has only one opponent, one enemy: himself."

Mr. Lebed, however, sees enemies everywhere. In the course of the 90-minute roundtable Monday, he belittled Prime Minister Viktor Chernomyrdin as "wasted material." He called Yuri Luzhkov, the Moscow mayor who is also a presidential hopeful, "the best representative of raging nomenklatura capitalism."

He disparaged his successor as national security chief, Ivan Rybkin, as an ineffectual, "cold-blooded" bureaucrat, and Mr. Rybkin's deputy, Boris Berezovsky, as a war profiteer. The Communist Party chief, Gennadi Zyuganov, who lost to Mr. Yeltsin in last year's presidential runoff, was dismissed as a "card that's been played."

Asked with whom he might form an alliance, he mentioned only two men, neither of whom poses a threat to him: the free-market economist Grigori Yavlinsky — "if he stops saying foolish things" — and Svyatoslav Fyodorov, an eye surgeon who received less than 1 percent of the first-round presidential vote last June.

Many analysts would not quarrel too violently with Mr. Lebed's characterizations of his rivals; still, they wonder who would be left for Mr. Lebed to team up with if he became president.

The vagueness about his team reflects a continuing vagueness in policy. Even after half a year of scrutiny, Mr. Lebed's plans for reviving the economy, for fighting crime and corruption and for dealing with the West remain undefined, characterized more often by aphorism and criticism than by detail.

Asked about the economy, for example, Mr. Lebed called attention to Russia's massive capital flight, to "absurd tax, customs and tariff policy" and the absence of a workable insurance system. He spoke about cutting taxes drastically while tightening compliance to generate revenues.

But he did not provide specifics, even when pressed.

"There are, to put it briefly, a number of actions that need to be taken on the tactical level," he said in one typically cloudy answer. "The situation must be changed," he said. "But conditions have to be created for this."

He also provided fodder for critics who doubt his commitment to civil liberties. To stamp out corruption, he would "obligate bureaucrats to declare not only their income, but also expenses — and to do so not only for themselves, but also for their relatives."

JAPAN: *Seeking a Bolder Role in Asia*

Continued from Page 1

entity with one voice in the international community, I think it particularly necessary to strengthen policy dialogues between Japan and ASEAN at various levels," Mr. Hashimoto said. "To promote Japan-ASEAN cooperation, strong political leadership is indispensable. Dialogues at top levels should be enhanced to build stronger personal ties of trust between top leaders."

The bolder, more assertive Japanese diplomacy outlined by Mr. Hashimoto appears to have been generally welcomed by Southeast Asian governments, who see it as a way for ASEAN to increase its influence and ability to influence developments in the Asia-Pacific region.

Japan already takes part in annual meetings with ASEAN at the foreign minister level, as do many other countries. But having regular meetings of Japanese and ASEAN heads of government would give Tokyo an exclusive and preeminent relationship with the group.

That could cause concern in Beijing, where suspicion of Tokyo's regional intentions remains strong.

Evidently with such sensitivities in mind, Mr. Hashimoto sought to preempt criticism that his proposal for an upgraded relationship with ASEAN meant that Japan was seeking a potential counterweight against China and was planning for the day when its long-standing alliance with the United States would end, leaving Tokyo free to pursue an independent military role in the region.

He said that the "most important" condition for maintaining peace and stability in the Asia-Pacific region was the continued presence of the United States.

"The Japan-U.S. security arrangements are a very important framework for engaging the U.S. presence," Mr. Hashimoto said. "Japan will continue to do its best to maintain confidence in the arrangements."

He said that after the U.S. presence, another "extremely important factor" for Asia-Pacific peace was "relations with China."

Noting that both ASEAN and Japan had "deep-rooted and inseparable relations" with China, he said that since Beijing had been following a path of reform, "it is important for the rest of the world to support the policy direction and to engage in wide-ranging dialogues and exchanges with China so that she can secure her position as a constructive partner in the international community."

But he stopped short of saying that his government would revive its grant aid to China in the wake of Beijing's decision late last year to halt nuclear weapons testing. Tokyo suspended the aid to protest the testing.

He also avoided direct answers to questions about whether Japan wanted to see China and South Korea join ASEAN countries in an East Asia Economic Caucus, as Malaysian leaders have long proposed.

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The Gingrich Turmoil

The schedule that the House Republican leadership has set for reaching a judgment in the ethics case against Speaker Newt Gingrich is unworkable. Members will be called upon to make a final decision without the full airing of the facts. The judgment date should be extended.

The House ethics process is wisely set up to be bipartisan. On the ethics committee, unlike others, each party has the same number of members, meaning that each has a veto over whatever the committee does. That is one of the reasons why, over the years, the committee has been so notoriously slow to act. Likewise, it is one of the reasons why the decision last month of the ethics subcommittee that had charge of the Gingrich case was so impressive.

The subcommittee, itself evenly divided by party, basically found that the speaker had been circumventing if not quite violating both the tax and the campaign finance laws by converting supposedly charitable (and therefore tax-deductible) contributions to political use. It also found that he had given the committee untrue information about the fund-raising activities — and that in both setting up and misrepresenting the operation, he had violated the rules by acting in such a way as to bring discredit on the House.

In effect, Mr. Gingrich pleaded guilty to both offenses while seeking to minimize their importance. The proceedings now have moved to the stage of determining a penalty. That will depend on the judgment of first the full committee and then the full House of Representatives as to the seriousness of the violations. That judgment depends on details that have yet to be made available — and that is the judgment the leaders now seek to hasten, having sought all last year to do the opposite and delay the proceedings until safely after the election.

What is needed, first, is the full report of the independent counsel who has conducted the investigation for the committee, then both explication of those findings and the opportunity to challenge them in hearings, and then a little time to reflect. To try to cram the entire process into the week ending next Tuesday — which, of course, is in inauguration week, when the attention of press, public and many members themselves will be elsewhere — is ludicrous. The Republicans would not stand for such a railroad if the shoe were on the other foot, and they would be right.

The Democrats don't help the cause of due process in which they have cloaked themselves when they drool for vengeance against Mr. Gingrich, as too many of them, including some of their leaders, so openly do. The leaking of what appears to have been an illegally recorded telephone conversation involving Mr. Gingrich didn't exactly distinguish them, either.

Our own sense is that the recording of the Republican strategy session proved a good deal less than its purveyors implied. Mr. Gingrich is accused of having reneged on an agreement not to join in orchestrating, in advance of public hearings, a public relations offensive against the charges to which he had pleaded guilty. That is what the recording is said to show. As with everything else in the case, there is of course a dispute about whether it does or not. But why should such a murky, unrealistic and insupportable limitation on self-defense, to say nothing of speech, have been imposed on him in the first place? Which is the side that is supposed to be trying to quash debate in this case, anyway?

The Gingrich case at this point is no longer just about Mr. Gingrich. The timetable the Republicans have imposed makes it a case about the integrity of the ethics process, the House and the majority party as well.

If the facts are as Mr. Gingrich's defenders say, they have nothing to fear from further discussion. To quash the debate implies both that they think the speaker needs the help and that they are willing to give it to him. That is not the end result that the Republicans can welcome.

— THE WASHINGTON POST.

Bulgarian Dialogue?

Bulgarians, inspired by their neighbors in Serbia, have taken to the streets to try to remove a government that is one of the most inept in Europe. The strategy may be working. On Monday the government agreed to the protesters' main demand of early elections, although not early enough. New elections should be held this year, not in 1998. Nevertheless, the government response suggests that a political dialogue may be possible in a country where inflexibility has been the rule.

People power is something new in Bulgaria, which was always the Soviet Union's most docile ally. There were no major protests under communism, and since then Bulgarians have stoically endured a series of incompetent governments.

Both the Socialists and the opposition Union of Democratic Forces are inflexible and tolerant of corruption in their ranks. They have been more interested in fighting ideological battles than getting things done. In December the Parliament dismissed a Socialist government, and the party then chose a different leader. But Bulgarians want new policies, not just new faces at the top. High on the list of what Bulgaria needs is a market economy.

Central Europeans angry at the short-term pain caused by market reforms only need look to Bulgaria to see the long-term pain of not reforming. When communism fell in 1989, the Bulgarians had higher per capita incomes than Poles. The Polish government then instituted market reforms that, after a few years of decline, have sent the economy soaring.

Bulgaria has done less to reform and privatize than any other member of the former Soviet bloc. Today the average citizen makes the equivalent of $30 a month, the lowest salary in Europe. The banking system has collapsed.

The Socialists have neither the commitment to reform nor the public trust needed to carry it out. While other European socialist parties have instituted economic reforms, Bulgaria's Socialists have proved less willing to take political risks for the nation's gain.

Both sides should treat the government's statements as the opening of serious negotiations. This will require the government and the opposition to abandon their rigidity and work toward elections at the earliest possible date.

— THE NEW YORK TIMES.

Look, It's Cyberman

Comic book heroes get facelifts all the time, shedding the frumpy for the sleek and the homely for the handsome in a calculated attempt to entice younger readers. The makeovers tend to go unnoticed. But even editorial writers turned churlish last week when DC comics unveiled its new, somewhat androgynous togs for Superman, whose super suit is losing its trademark cape.

Judging from the hysteria, few people had kept abreast of Superman's metamorphosis from Man of Steel to more like us, which has been moving along quite briskly for more than a decade. For half a century, Superman battled his way through the universe without so much as breaking a fingernail. But fans and comic book writers grew bored with invulnerability.

First the writers de-superized the suit, which fell to pieces in combat. He began to bleed, not just on rare occasions but all the time. He became self-doubting and in need of counsel and companionship. Last fall, DC comics married him off to Lois Lane. His alter ego, Clark Kent, also became more vulnerable, suffering paper cuts at the office and burning his fingers when cooking at home.

As Clark continues to go the way of all flesh, the process of humanizing Superman seems to have been abandoned. He now bristles with electricity and, instead of merely leaping tall buildings, transmits himself through phone lines. To court the Internet crowd, the writers have dumped all the human frailties on Clark while turning Superman into a kind of Cyberman.

Older critics are particularly unhappy about the punky new hairdo and the missing cape. The St. Petersburg Times pleaded, "Say it ain't so." The Rocky Mountain News cried "Yuck." But stripping away the cape and jazzing up the suit were logical steps. If the old fellow is lucky — he is 60 now — the change could give him a new lease on superherohood.

— THE NEW YORK TIMES.

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International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: (1) 41.43.93.00. Fax: Circ., (1) 41.43.92.10; Adv., (1) 41.43.92.12. E-Mail: iht@iht.com
Editor for Asia, Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel. (65) 472-7768. Fax. (65) 274-2334
Mng. Dir. Asia, Rolf D. Kranepuhl, 50 Gloucester Rd., Hong Kong. Tel. 852-2922-1188. Fax. 852-2922-1190
Gen. Mgr. Germany: T. Schlüter, Friedrichstr. 15, 60323 Frankfurt/M, Tel. +49 69/971250-0. Fax. +49 69/971250-20
Pres. U.S., Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Fax: (212) 755-8785
U.K. Advertising Office: 63 Long Acre, London WC2. Tel. (171) 836-4802. Fax: (171) 240-2254
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Helping Serbian Democrats Is the Only Option

By Robert D. Kaplan

LENOX, Massachusetts — The fiery nationalism that made Serbs the first free people of the Balkans in the 19th century has also made them the last to escape from communism. An appeal to Serbian nationalism enabled the Communists to keep their privileges, and power, in 1989, when party hacks elsewhere in Europe were losing theirs.

But nationalism is no less an issue in Serbia now that the Communists' dictatorial power is being challenged. The question is how it will affect the prospects for democracy there.

The precedents are not encouraging. Democracy in Belgrade between the two world wars was an orgy of instability fueled by ethnic and religious hatreds, which were eased only by Tito's brutal dictatorship. Such rivalries still pose a danger.

For one thing, Serbian Orthodox politicians will control the destiny of ethnic Albanian Muslims in the southern province of Kosovo. And Serbia will be making decisions in a climate of conflict with neighboring Catholic Croats and Bosnian Muslims.

The Serbs' ethnic insecurity is aggravated by a ruined economy. Nowhere in Eastern Europe in 1989, perhaps not even in Romania, was the outlook so grim as it is in Serbia now. Disaster awaits if Serbian democrats turn out to be no better at reducing unrest than their colleagues in Bulgaria, where the economy has been collapsing and protesters have demanded new elections.

Bulgaria, which has been near anarchy for years, can implode without necessarily destabilizing neighboring states. Serbia cannot.

Bulgaria's disappointing experience with democracy clarifies the importance of geography and culture in East Europe's transitions.

As was the case between the world wars, those European countries with Ottoman legacies close to the Middle East have had an extremely difficult time adjusting to a free society.

In Serbia, opposition figures do not boast impressive credentials. The two main personalities of the democracy movement, Zoran Djindjic and Vuk Draskovic, have both embraced nationalism when it has suited them.

Mr. Djindjic campaigned for the Serbian Democratic Party of Radovan Karadzic, the Bosnian Serb indicted as a war criminal. Mr. Draskovic is an enthusiast of the World War II-era Serbian Chetnik movement, which occasionally cooperated with the Nazis. Neither man has experience in governing.

The most that can be said for these men is that they have shown less hostility to the West and to free market values than have Slobodan Milosevic's Communists.

If Mr. Milosevic falls, Serbia could unravel in the hands of the fledgling democrats. A power vacuum would allow warlords to run rampant through the former Yugoslavia, creating low-intensity conflict into the next century.

Mr. Milosevic, using an iron fist, has managed to restrain both Serbian warlords and the ethnic Albanian Muslims seeking independence for Kosovo. Weak democratic leadership after his ouster could lead to aggression from Croatia, renewed fighting in Bosnia and armed conflict in Kosovo. But to stick with Mr. Milosevic is not an option. The democratic process is already under way, as the protests in the streets have revealed.

Washington, which has condemned Mr. Milosevic for refusing to recognize opposition electoral victories, has made clear that it will hold the Serbian leader responsible for any bloodshed as the demonstrations continue.

Any indication that Mr. Milosevic's political survival might be convenient for the West risks a Tiananmen Square chain of events, which the Serbian Communists are still capable of perpetrating. They have done much worse.

Washington may not have the appetite for helping Serbia's untested, possibly inept and passionately nationalistic democrats with substantial economic and administrative aid. Should they come to power, however, there is no other choice.

The writer is author of "Balkan Ghosts: A Journey Through History." He contributed this comment to The New York Times.

No Peace Without Justice, Which Is More Than Democracy

By Julius K. Nyerere

NEW YORK — Peace is a product of justice; it is not simply the absence of violence. All violent conditions represent earlier failures of leadership, either by wrongdoing or by default. They represent failures at local levels, and especially at national levels.

With the interdependence associated with modern technology, they can also mean failures at international levels.

It is much easier to prevent than to end wars and revolts.

In Africa today, and especially in Rwanda and Burundi, we hear a great deal about ethnic conflicts. Yet these are taking place at particular times and places after members of the different ethnic groups have for long periods lived side by side in the same villages and towns, have worked together and have intermarried. Thus, ethnicity is clearly not a sufficient explanation of conflict.

Ethnicity can, however, be used to conceal the real problems, the genuine economic problems or cultural clashes, behind the easily aroused human fears about those who are unlike ourselves.

Ethnicity can also be used to divide and rule. In Rwanda and Burundi, this use of ethnicity was clearly made by Germany and Belgium as colonial powers.

Ethnic conflict will arise when leaders in the society deliberately strengthen the concept of ethnicity, and for their own purposes ignite hostility. In Rwanda and Burundi, conflict has economic roots. The fight for power is mainly a fight for economic resources. Ethnicity is simply being exploited.

Conflicts of interest or desire within a social or political group are inevitable; they are an intrinsic part of living in society. And some level of conflict between nations is also quite normal. Our duty is to prevent normal conflict of interest from developing into hostility.

We need to defuse potential conflict, and deliberately build peaceful relationships through the extension of justice throughout the society.

This duty, to say the least, is not always easy to fulfill. In poor countries it is especially difficult. The introduction of political democracy can help, but it is not enough; indeed, it can aggravate civic conflict. When the political system gives the vote to the many, and the economic system gives bread to the few, civic strife is almost inevitable.

When the vote is a human right and bread is a privilege of the few, democracy is a mockery. It cannot be an instrument of peace and harmony because it is not an instrument of justice.

The surest way to build and to maintain peace within and between nations is to work for justice — justice for all persons and all groups.

A nation and a world organized as a basis of upholding the principle of human equality, human dignity, justice and respect for all will be a nation and a world where peace prevails.

We are not there yet anywhere in the world, and certainly not in my part of the world. And I am not sure that the relentless weakening of government and community, and the equally relentless globalization and marketization of our economies, will prove to be particularly conducive to the building of peace through justice.

Where the law of the jungle reigns supreme, where might is right, where the game of money-making includes arms trafficking and corruption — what is justice? And what is peace?

When governments are weak or corrupt or both, who can intervene on behalf of the weak in our poor societies?

People have instincts of cooperation as well as of self-interest. If societies are so organized as to encourage human cooperation and mutual toleration of differences, then building or maintaining peace will gradually become easier. Promoting justice to all will become easier.

Peace is a product of justice. They work for peace who work for justice.

This comment has been adapted from an address by Mr. Nyerere, former president of Tanzania and facilitator of the Burundi peace talks, to the International Peace Academy in New York.

How Patchy Reform in Latin America Can Be Self-Defeating

By Alvaro Vargas Llosa

LONDON — A perilous new myth claims that Latin America is having a free market revolution. A grave danger resides in the fact that the courageous but limited experiments in reform are giving rise to a powerful populist opposition and weakening the case for the free market precisely because they are so incomplete.

If the limited reforms that have meant fewer state-owned enterprises, reduced inflation and increased foreign investment were enough to bring about stability and prosperity, Latin America would have been prosperous a long time ago.

After all, there have been periods in the past when monetary policy was not wildly out of control and the wave of state ownership had not yet begun. During that time, foreign investment was omnipresent; so much so that all of our socialist revolutions (from Mexico in 1910 to Bolivia in 1952 to Cuba in 1959 to Peru in 1968) arose in the name of "sovereignty." Yet the misery persisted.

If competent macroeconomics is sufficient for a free and prosperous society, why is Latin America still backward even though since 1940 we have grown by an average of 5 percent a year — more than Europe has grown in that same period?

The answer lies in a simple but often misunderstood irony: Partial reforms and the single-minded focus on macroeconomic management — without commitment to private property, competitive markets and strong judicial and democratic political institutions — result in mercantilistic systems where the vast majority are denied the opportunities and benefits of economic growth.

There are two great weaknesses in the current reform process in Latin America. Reformers are confusing private enterprise with free market capitalism. And reformers are focusing on macroeconomic management without considering institutional frameworks.

Private ownership is not a panacea. Ill-conceived privatizations have replaced public monopolies with private monopolies, transferring the ownership of certain sectors of the economy while still protecting markets and scandalously fueling corruption. Telephone systems demonstrate the problem.

Throughout Latin America, users suffer high rates and poor service because telephone companies have been sold as private monopolies. Users then wrongly deduce that capitalism is the cause of this abuse.

Public transport in Buenos Aires is privately owned, but each route is monopolized by one company, thereby turning Argentines against the whole idea of privatization.

Protecting these private monopolies has led to the equally dangerous perception that liberalization means giving privileges to the rich. Of the 15 Mexicans featured in Fortune's latest list of the richest people in the world, there is not one who has not benefited, however legally, from state-granted privileges.

Around the continent there are also so-called strategic areas of the economy where privatization is not contemplated.

Despite a phenomenal $250 billion generated in the past 20 years by the state-owned oil company, an estimated 80 percent of Venezuelans live below the poverty line today.

On the macroeconomic front, some Latin American countries have made bold changes but have ignored the importance of institutions — justice, private property, solid money and democracy. The result is a reform process with weak links that invites disaster.

Lack of institutional reform is widespread. Private property rights are often ignored by government. During the 1980s, Peruvian peasants de facto privatized 60 percent of the land that had been collectivized by the socialist agrarian reform of the 1970s. Formal property titles are still not available.

In Mexico, property rights, a crucial institution in any free society, can hardly be present under Article 27 of the constitution, which says "the nation" is the owner of all the land.

In Peru, there can be little trust in the country's institutions when the judiciary was disbanded by the president himself in 1992, later replaced by a new, politically dependent court. It made no attempt to prevent Peru from becoming, according to Amnesty International, the country with the most political prisoners in Latin America after Cuba (approximately 1,100).

Peru's current system has been exposed during the hostage crisis at the Japanese Embassy in Lima. Vladimiro Montesinos, the strongman behind President Alberto Fujimori, is not as efficient as we were led to believe — the entire intelligence service hierarchy are among the hostages!

The Peruvian military's obsession with Ecuador is a national security risk. While senior officers were busy buying MiG fighters from the former Soviet republics and placing key personnel at the northern border, the internal enemy was preparing its most spectacular blow.

And the hostage crisis has revealed that political prisoners, many of whom are not terrorists, are held in jails that resemble medieval dungeons.

Which country has undertaken a new reform of its justice system? None. Latin America divorces economic liberty from its essential political and institutional base.

The writer is a Peruvian journalist, son of the novelist Mario Vargas Llosa. This comment was distributed by the Los Angeles Times Syndicate.

Watch How Arafat Reciprocates

By A. M. Rosenthal

NEW YORK — Benjamin Netanyahu spent most of the last few months trying to show the world that he was negotiating with the Palestinians in good faith. Now he faces the job for which he was elected: either show Israelis that he can give them a peace with security for themselves and their country, or in decent time tell them that it cannot be done, not now and probably not for many years to come.

He said before he was elected that he would work within the Oslo agreement signed by the defeated Labor government. That meant giving up major West Bank towns, including Hebron.

He got somewhat more security for those 400 Hebron Jews who believe that it is not a crime for Jews to live in one of Judaism's holy cities. But to make future talks worth holding he needed conditions on how to go on from Hebron — specific and internationally publicized steps of reciprocity from the Palestinians. To get that he paid a price.

Assuming that the agreement is approved by Yasser Arafat, who has been walking away from it for about two months, Mr. Netanyahu agrees to a final deployment from the West Bank by September 1998 — almost a year before he wanted.

There is nothing approaching agreement on how much of the West Bank the Israelis will leave. Eventually, that and Jerusalem will be the make-or-break issues.

Mr. Netanyahu and his supporters see territorial negotiation as a matter of survival — time to spot and mobilize against attack. He is likely to insist on military control of at least 40 percent of the West Bank outside the towns — much high ground and almost all the Jordan Valley. Labor would have settled for lots less; how much it never said.

Still, if Likud signs any territorial agreement, it is in effect consenting to creation of an independent Palestinian state. Mr. Netanyahu can call it an "entity." He can call it gefilte fish. It will be a state.

But he got what he needed to continue talking peace and keep good faith — with his own people: the conditions of reciprocity that would make the talks believable to the 56 percent of Israeli Jews who voted for him.

They are set down in a "note for the record" by the U.S. team led by Dennis Ross. They commit the Palestinians to do things they promised at Oslo but have never carried out.

Israeli sources say that as of late Monday these were:

• Dismantling of the terrorist superstructure in Palestinian-controlled territory. That means disarming Hamas, Islamic Jihad and similar groups, or it means nothing.

• Really, at last scrapping the death-to-Israel covenant of the Palestinian movement.

• Reducing Palestinian armed forces to the one police organization of 18,000 allowed by Oslo — not the half-dozen military groups that Mr. Arafat created with 45,000 men.

• Extraditing terrorists in Palestinian custody. Twelve of the 27 terrorists on Israel's wanted list are wearing Mr. Arafat's police uniforms now, and most of the others are walking free.

• Closing offices outside Palestinian-controlled territory. Most important: no longer using Orient House in Jerusalem as a foreign office.

• Stopping the constant verbal incitements against Israel by Palestinian officials, Mr. Arafat on down.

If Mr. Netanyahu gives up any of these conditions, he may kill chances of majority support in his cabinet.

Israel commits itself to a preliminary redeployment and the start of final-round talks, both within two months. It agrees to consider these steps: stopping closure of its borders against Palestinians as an economic punishment, release of current "security" prisoners, free passage between the Gaza Strip and other Palestinian-controlled territory, and a Gaza Strip international airport.

Egypt and other Arab states will have fascinating fits if Mr. Arafat lives up to reciprocity conditions. They know that it would remove Palestinians from the constant state of political warfare against Israel that has been basic Arab strategy for a half-century.

So I doubt that he will live up to reciprocity conditions for long. But whatever he decides, ending the anti-Israeli political war will remain an underlying condition for ever turning peace talks into peace reality. That has been written in blood, so long.

The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Disease Control

PARIS — In consequence of cholera at Plymouth and the bubonic plague at Bombay, the Council of Ministers has decided to take measures to prevent the spread of infection to ports on the north coast of France and to those on the Mediterranean that are in communication with British India. Passengers upon their arrival from Plymouth will be disinfected and placed under surveillance during five days. Also, the importation from plague-stricken countries into France of objects known to harbor disease germs will be forbidden.

1922: Garvey Upheld

NEW YORK — Three thousand members of the Universal Negro Improvement Association voted confidence in Marcus Garvey, who denied charges that he had used the mails to defraud in a scheme to transport hundreds of thousands of negroes from this country to Africa to establish a republic there. Garvey controlled a newspaper, the "Negro World," and organized the Universal Negro Improvement Association, with a membership of four million, and the Black Star Steamship Line, which was to give "every black man, woman and child an opportunity to climb the ladder of industrial and commercial progress."

1947: German Travel

BERLIN — The British Military Government announced a plan to permit limited travel of Germans from the British Occupation Zone to foreign countries. The plan is intended primarily to facilitate the exit of non-Germans, many of whom are living in displaced persons camps. The scheme was instituted shortly after some South American countries announced they were willing to accept immigrants.

OPINION/LETTERS

Now the Liberals Have the Momentum

By E. J. Dionne Jr.

WASHINGTON — "They are like kids who have touched a hot stove.

They are afraid of doing it again."

That is the policy director of a conservative group talking about Republican intellectual blues. After the failure of the Contract With America, Republicans are wary of big ideas.

Sound familiar? Twenty years ago, the Washington talk was also about ideas. Back then, it was liberals who were in trouble.

"Liberals have run out of ideas," said Democratic Senator James Abourezk in 1978, using a line repeated over and over well into the 1990s.

Is it possible that conservatives, after a great run, are now the folks with the tired ideas, and liberals, of all people, the possessors of intellectual energy?

You begin to get that sense from a series of papers given at a recent conference at what its organizers optimistically called the "New Majority Conference" in Warrenton, Virginia.

The majority they have in mind is liberal and Democratic. The gathering, organized by Stanley Greenberg, a Democratic pollster, and Theda Skocpol, a Harvard professor, is the sort of endeavor conservative think tanks once monopolized. These are politically shrewd liberal intellectuals trying to change the direction of the political debate. Roll over, Irving Kristol.

The papers will soon be published as a book and can't be fully summarized here. But three things stood out in most of them: a sense that the conservative era has run out of gas and that something new, and progressive, is possible; a realism about avoiding old liberal mistakes, and an effort to link the idea of active government to the problems of working families.

Yes, these liberals were not embarrassed about using the word "family."

Here, for example, is Professor Skocpol: "Some may feel that it is best to avoid talking about families, lest we exacerbate racially charged divisions between dual- and single-parent families. But I disagree. Family-friendly conditions are vital to both sets of families. And progressives need not adopt a morally relative stance."

Voters showed they are vitally interested in social insurance programs.

She goes on: "Most people accept that two married parents are best for children, even though each of us is personally acquainted with mothers (or fathers) who have to soldier on outside this ideal situation. ... Progressives can acknowledge the tension between ideals and second-best necessities."

Contrary to conservative dogma, this crowd contends that most families lack a transcendent faith in the tender mercies of the market and want help from government to "soldier on" through a time of economic change.

For example, Mr. Greenberg, President Bill Clinton's former pollster, argued that Mr. Clinton made important gains among middle-income voters (those earning between $30,000 and $50,000 a year) and voters without college degrees. Yes, Mr. Greenberg said, such voters responded to Mr. Clinton's moderate messages on crime and "values." But they were vitally interested in programs that they viewed as forms of "social and family support," especially health care and "retirement security issues."

Surprisingly for those who put great stock in political labels, voters who cared about health and social insurance programs were inclined to identify themselves not as "liberal" but as "moderate" or "conservative." Which is to say that many of them were Reagan Democrats who now think that Ronald Reagan's trinity — "family, work and neighborhood" — could use a little support from government.

Alan Brinkley, a leader of a new generation of New Deal historians, argued that, contrary to conservative mythology, government was a powerful force for America's economic progress over the last 150 years. Without government spending for "dams, bridges, highways, harbors, schools and hospitals," the most conservative areas of the country, the South and Mountain West, would not now be enjoying all the benefits of capitalism. Liberals, he said, need to remind the country that there are tasks in which government "must play a significant role, as it has in the past, or they will remain undone."

Theodore Marmor and Jerry Mashaw of Yale offered a strong case for universal social insurance programs — Medicare, Social Security and, ultimately, national health insurance — as "preconditions for a workable system of industrial capitalism and political democracy."

And William Julius Wilson, one of America's best analysts of the plight of the inner-city poor, argued that a focus on problems that "concern the families of all racial and ethnic groups" — among them job security, wages, escalating medical and housing costs, public education, crime and drugs — could foster "interracial unity" and "city-suburban cooperation."

In all this there is something old, something new, something borrowed and something original. So it was in the conservative intellectual project of 20 years ago. Ronald Reagan built on his side's energy. Will Bill Clinton?

Washington Post Writers Group.

Use UN Pulpit to Denounce Evil

By Morris B. Abram

GENEVA — With Kofi Annan of Ghana just appointed the United Nations' seventh secretary-general, I find my thoughts turning to Martin Luther King Jr., who would have been 68 years old on Wednesday.

Of course, no one unschooled in international diplomacy and administration could fill the UN's highest office. Certainly not. But I feel the world yearns for a figure endowed with Dr. King's ability to evoke the "better angels of our nature." And what better bully pulpit — to use Theodore Roosevelt's term — than the executive office of the world's only comprehensive international organization?

Dr. King knew how to use a pulpit, not only to preach but to influence and motivate by example. He practiced nonviolence under dangerous and often humiliating circumstances, and he showed that power flows from words as well as from force.

The 1945 Preparatory Commission of the United Nations spoke of the secretary-general as a figure defining "the principles and ideals of the charter to which the organization seeks to give effect."

Writing in Foreign Affairs magazine, the Johns Hopkins University scholar Fouad Ajami has emphasized that the UN's principal asset is "its moral standing to speak out on the great issues of the day."

A secretary-general, of course, must use his moral authority sparingly. He cannot deplete this authority by condemning every crime perpetrated around the world. He should reserve his words for egregious violations of universally accepted principles — such as the Bosnian Serbs' massacre of 8,000 people in the UN-proclaimed "safe haven" of Srebrenica in July 1995.

MEANWHILE

The secretary-general can raise a thunderous voice against genocide, torture, violations of the rights of children, and summary and arbitrary executions. By using his world pulpit, the secretary-general would elevate his office and the United Nations as a whole.

History resonates with examples of leaders using the bully pulpit to inspire their citizens in trying times.

As the issue of slavery threatened to sunder the United States, President Abraham Lincoln, using biblical language, warned that "a house divided against itself cannot stand."

In the depths of the Depression, President Franklin Roosevelt encouraged the American people by saying: "The only thing we have to fear is fear itself."

When the Nazis attacked Britain in 1940, Prime Minister Winston Churchill cried out that Britain would fight to achieve "victory, victory at all costs."

The UN secretary-general's bully pulpit has gone largely unused. Indeed, one would be hard-pressed to recall a single memorable speech or even a recognizable phrase from any secretary-general in the organization's 50 years. Nor have the member states ever criticized a secretary-general for lacking this kind of leadership.

In Kofi Annan, the United Nations has a good and experienced man. He has a moral vision and he now has the world's pulpit. Let us hope he finds his voice as well as the courage to use it.

The writer, former U.S. permanent representative to the UN in Geneva, is chairman emeritus of United Nations Watch. He contributed this comment to the International Herald Tribune.

LETTERS TO THE EDITOR

NATO Expansion

Regarding "Why Americans Should Hail NATO Expansion" (Opinion, Dec. 27) by Brian Beedham:

In stating that the British are "by and large in favor" of NATO extension, Mr. Beedham is factually incorrect. Opposition in Britain is at least as strong as it is in the United States, not least among those who have been professionally associated both with the North Atlantic Treaty Organization and with the Soviet Union.

Unless such extension is accompanied by the necessary military measures, it will be as useless and counterproductive as the guarantee that Britain gave Poland in March 1939. If it is so accompanied, it will certainly provoke countermeasures on the part of the Russians, and the whole merry-go-round will get going again.

The fact that the Russians are too weak to do much about an expansion at the moment is hardly relevant. Nations have long memories for this kind of humiliation.

In any case, placing Central Europe on the front line of a new confrontation is an odd way to ensure its security.

MICHAEL HOWARD.
Hungerford, England.

The United States is directing a dangerous expansion of NATO into Eastern Europe. The question is why.

This military alliance was created to keep the Soviet Union in check, and even NATO now admits that its mission has been accomplished.

Imagine if the Warsaw Pact had remained in existence after the Cold War and was pursuing expansion into Mexico and other Latin American countries. We know the reaction in the United States would be a readiness to go to war. Now imagine how the Russian people perceive the expansion of NATO right up to their doorstep.

From every perspective, NATO expansion is a bad idea, with a hidden agenda of keeping the armaments industry in business.

NATO should be abolished and the billions of dollars now annually spent on it transferred to the United Nations. The dark years of the Cold War made it virtually impossible for the UN to advance its conflict resolution and peacekeeping abilities. Now we have the chance to make this vital world organization stronger and more representative — in short, to fulfill the great promise of the UN charter.

We must not fail in this task, for it isn't NATO or any other military alliance but the United Nations that is imperative in building a global village — one with social and economic justice and a sustainable environment for the 21st century.

DOUGLAS MATTERN.
San Francisco.

For Europe and America, few things are more important than Russia's undergoing a process of democratization, opening to security cooperation, becoming involved in arms control and disarmament, working to combat organized crime and terrorism and expanding its foreign trade.

The residents of Central and Eastern Europe also share this vision. Unfortunately, this region was the victim of the tragic conflicts that shook Europe twice in this century.

We cannot forget the past; neither can we change it. What we can do is change our vision. Frankly, the fear that an enlarged NATO would threaten Russia is artificial, and the moment the alliance opened up these fears would burst like a bubble.

America's role in Europe is difficult to overestimate. Behind its involvement are universal values — freedom and human rights — as well as national interests. Security of the trans-Atlantic community is inseparable from these concerns. Few believe today that history will recur, but prudence is not out of place — hence enlargement of the sphere of stability.

I am convinced that candidate nations are ready to shoulder all membership obligations, particularly the financial costs. We are not begging for help. We are offering dynamic markets that are already part of the OECD. For us, membership in NATO is an investment in the priceless commodity of peace.

TOMASZ CHLON.
Helsinki.

The writer is first secretary at the Polish Embassy in Helsinki.

Bad Movie

Regarding "Has Chinese Intelligence Penetrated the Clinton White House?" (Opinion, Jan. 4) by William Safire:

This article was either a parody or a script for another Oliver Stone movie.

JOSEPH J. STERN.
Jakarta.

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The Beginning and the End: Eyre's 'Guys and Dolls'

By Sheridan Morley
International Herald Tribune

Imelda Staunton as Miss Adelaide, Henry Goodman as Nathan Detroit and the cast of "Guys and Dolls" at the National Theatre.

LONDON — It is generally reckoned that the production that assured Richard Eyre's future as director of the National Theatre back in 1982 was his "Guys and Dolls," and there is therefore a certain logic to having him start his farewell season with a revival of it on the same set, albeit with only one of the original cast. On the open Olivier stage we now have Clarke Peters, Joanna Riding, Imelda Staunton and Henry Goodman in

LONDON THEATER

place of Bob Hoskins, Julia McKenzie, Julie Covington and the late Ian Charleson, and 14 years on there is inevitably a sense of the second company having moved into the all-neon set.

Most of all we miss the late David Healy as Nicely-Nicely Johnson. Talented though Clive Rowe is, he cannot begin to approach the show-stopping way in which Healy told us to sit down we're rocking the boat, and as the sole survivor, John Normington, goes into the breath-takingly quiet "More I Cannot Wish You," it comes as an uneasy reminder of the sheer class of the original and the absolute adequacy of this revival.

"Guys and Dolls" was always Olivier's dream in his initial management of the National, and it says something for our changing attitudes to Broadway that he was forbidden not only by ill health but also by a strong feeling on the part of his governors that the show was, well, not quite National material.

As one of the true classics of the American theater it is of course ideal National material, but it remains a curiously intransigent show to stage; its songs are its plot, its characters are its action, and in the end it lives or dies by David Toguri's breathtaking choreography and the company's understanding of the original three-cent opera convention.

The filmic opening titles on a screen unwisely beg comparison with the great Brando/Sinatra movie of 1955, but this is a production in which the whole has always been greater than its parts: It is a tapestry of small-time losers and big-band numbers, and though I still think Eyre's production goes a little soft around the edges of Runyon's acidic original tales of the Broadway jungle, the brassy sound and tacky soul of Times Square is in there somewhere.

If there is now the faint feeling of a second company inheriting the show after a long run, that is perhaps inevitable. We have to recall that this was virtually the National's first smash-hit musical, since when they have given us a lot of Sondheim and Rodgers and Hammerstein under the Cameron Mackintosh grant. If we are now more demanding about National musicals they have only themselves to blame for giving us so much else that has been as great if not greater than this old warhorse.

It's far too early to assess how, if at all, the National policy on musicals will alter under Trevor Nunn, though this year's choice of "Lady in the Dark," a famously difficult Ira Gershwin-Moss Hart-Kurt Weill score, suggests that it is already moving into bolder territory.

The only real objection thus far to National musicals is that, from "Carousel" to "A Little Night Music" and this revived "Guys and Dolls," they have been on the far side of safe. Given that its subsidy allows the National more leeway, taken together with the Mackintosh grant, than virtually any other music stage in the country, it would be good to see the National now venturing into more of the unknown, lost musicals, than these perennial box-office safety measures.

There are two other musical treats around town. At the King's Head, a charming low-budget staging of the last score ever written by Vivian Ellis (and the one he was still revising when he died at 91 last summer): "Listen to the Wind" is that comparative rarity, a musical for and about children. Written originally in 1954, it has the charm of an altogether different period, that of late Victorian fairy tales as a gang of rowdy cousins and their prim leader get caught up with pirates and mermaids and the magical wind people.

"Listen to the Wind" owes a lot to "Peter Pan" and a little to Enid Blyton's "Famous Five." But Dan Crawford has given it a loving, seductive staging for all those who still complain that children's theater isn't what it was in their day, just as long as their day was about 1896.

And finally, to the Bridewell for the least familiar of all three Sondheim anthology shows: "Marry Me a Little." The other two are, of course, "Side by Side by Sondheim" and "Putting It Together." "Marry Me a Little" is a wonderfully characteristic Sondheim title for this two-character anthology songbook of all his early Manhattan numbers, many of which predate West Side Story. The double act of Clive Carter and Rebecca Front admirably caught the bitter-sweet spirit of these early numbers, in many of which can be heard the outlines for later, better and more familiar Sondheim classics.

Leon Fleisher's Comeback

By David Stevens
International Herald Tribune

PARIS — Brahms's colossal *First Piano Concerto* has played a key role in Leon Fleisher's dramatic life, or perhaps one should say his lives.

He first played it in public in 1943, at age 15, with Pierre Monteux and the symphony orchestra of his native San Francisco, and repeated it the next year in Carnegie Hall with Monteux and the New York Philharmonic. Last September he played it again with the San Francisco Symphony, this time under Michael Tilson Thomas. A few days ago it was the Brahms again, with the Orchestre de Paris under Carlo Maria Giulini.

The drama is in what came in those 50 or so years and is still going on. Fleisher won the Queen Elisabeth competition in Brussels in 1952 and his international career took off. Then in 1965 his right hand became disabled, mainly by repetitive stress syndrome — then known mainly to pianists, and now to an army of computer jockeys.

In the wake of this catastrophe, Fleisher gradually put together another musical career. He resumed performing in the piano literature for the left hand (Ravel, Prokofiev etc.), and has added to it by commissioning works. He took up teaching, and has been director of the Tanglewood Music Center for the last decade, and launched a flourishing career as a conductor.

But he seems never to have stopped trying to regain the use of his right hand. An attempted return to the two-hand repertory in 1982 was not a success. In 1995, he made a low-key comeback with Mozart's A-major concerto (K414), then in September went into the deep end of the pool with the Brahms.

In Paris, the experience was not without its perils or its rewards. There were some muddy passages and cliff-hanging moments in the outer movements, but the second movement was profoundly beautiful. Throughout there were fine shadings of touch, dramatic shaping and mastery of musical architecture. (After all, the man learned it from Schnabel!)

True, the tempos were slow, but at 82, Giulini takes his time, and he also did with a majestic Brahms Fourth Symphony that came after the intermission.

□

The Ensemble Intercontemporain is currently celebrating its creation 20 years ago as the de facto performing arm of Pierre Boulez's Ircam music research institute. Saturday night Boulez and David Robertson shared the conducting and the ensemble shared the platform with the Ensemble Modern of Frankfurt in a program that included a world premiere commissioned from Elliott Carter, whose inventive energy does not seem to be slowing down at 88.

His Clarinet Concerto is a characteristically complex piece in which the clarinet sustains a dialogue with different groups of instruments through the work's six parts, played without a break. Alain Damiens played the solo part with impressive aplomb and stamina for the full 20-minute length.

Boulez conducted, as he did for Gyorgy Kurtag's Double Concerto for two orchestras, piano and cello, whose density did not exclude an immediate appeal.

MILAN MENSWEAR

Think Small, the Mantra for the Fall

By Suzy Menkes
International Herald Tribune

MILAN — From the narrow shoulders, through the puny chest, to the snake-hip flat-front pants, menswear has a new mantra: small is beautiful.

The consumer test for next fall is whether a man can squeeze into a jacket so narrow that only one of the four buttons closes at the breastbone. The designer challenge of the Milan season is to suggest how little has apparently changed — yet still bring originality and modernity to classic menswear.

"It's about male vanity, but something on the inside — a private pleasure," said Miuccia Prada in a neat metaphor for her powerful collection. For she had built everything that made a difference into the fabric of her sleek clothes. That included the techno-nylon that once defined Prada's urban-industrial image but that now waterproofs the inside of natural fibers like loden and flannel.

The clothes were slim and small: the short, fitted coat, the taut jacket, narrow pants and tactile sweaters. But they were woven with stretch so that the fit and finish seemed new for twill suits, alpaca sweaters and flannel pants. The fashion skill was in the mix: mat loden suits with crisp shirts and shiny ties, chunky sweaters overflowing from tight jackets, and country looks made city smart. All these came in neutral colors like black, blue and especially different shades, tones and textures of gray.

Prada sets the agenda in Milan not just with its fashion but also with its presentations, creating a mood with products in the showroom, the better to explain technical innovations, while most houses show on the runway. The house's forward march is witnessed by the group's booming sales, projected to rise from 463 billion lire ($300 million) in 1996 to 737 billion lire for 1997, according to Patrizio Bertelli, CEO of Prada's parent company, I Pellettieri d'Italia. He also announced at a news conference on Tuesday an expansion into ski wear, innerwear for men and women, homewares and fragrance by fall 1998.

Christopher Moore

Dolce & Gabbana's tight-fitting pin-striped jacket with white pants.

"Sexy and romantic," was the label that Domenico Dolce and Stefano Gabbana hung on their collection. It was an accurate description of the hip-hugging and high-waist pants, the skinny rib sweaters, the almost-classic chalk-striped suits curved in at the front — all offset with funky, feminine touches like lacy cardigans, quirky hats and the occasional leopard print.

There were moments when the steamy sexiness seemed overdone (think chunky knitwear with swim pants), but Dolce & Gabbana had a nice balance of light materials with fleece or felted fabrics. They also found a cute way of adding modern zest to classic tailoring: a scarlet lining to a dark, pencil-slim cleric's coat; the mother of pearl buttons studding a shorter navy pea coat. And for a cheeky sailor look, there were tight matelot sweaters and formal jackets with strutting white pants.

Maybe because Missoni's shapes seemed so capacious, the collection missed the fashion rocket boost that was suggested by its opening passage: sweaters woven into galactic patterns against a backdrop of myriad stars. Reinventing Missoni's patterned knits as cool kit for the 1990s has relied on a youthful fixation on the 1970s. The technique of creating in knit dawn-of-history cave drawings and furrowed-field textures is extraordinary. So are Tai Missoni's color mixes of mustard, mauve and blue, like bird-of-paradise plumage. But they seemed worthy of something more than soggy mnic sweaters and lumpy cardigans and might have been shown in a crisper, cleaner way.

A youthquake has come to Byblos with the arrival of Australian-born, California-based Richard Tyler as designer. From the tweed jacket straining over the concave chest of a stripling model, it was clear that Tyler was thinking small. And hip. Narrow herringbone tweed suits or brief tailored coats were set off with brightly colored athletic shoes — part of a game of funky mixing that included baggy jeans with tiny tops and gritty tweeds with shiny or fleecy sweaters. Tyler claimed he was thinking American suburbia in the 1950s, but the show looked suspiciously like London in the 1960s. And although the collection was cute, fashion is too familiar with route 1966.

Inventive fabrics are the story at the classic Italian luxury houses. Since men in fur trims is a motif of the Milan season, Fendi could indulge its lust for luxury in a sporty, off-to-the-mountains collection that included techno-nylon parkas reversing to nutria or raccoon and knits mixed with tactile textures, like chocolate brown velvet jacket and suede pants.

Antonio Fusco's classic line was a parade of light but sumptuous tweeds, wool and cords, fashioned into the season's trends: coats long and slim; brief pea coats; with a lingering whiff of the military in four-pocket jackets and epaulette trims. For men of substance, there were suits generous enough to move your shoulders and breathe out in.

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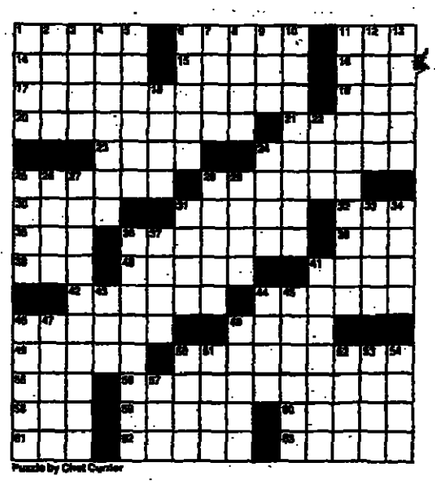
ACROSS
1 Conspiracy
6 Thundering
11 Quipster
14 Diminish
15 Stir up, in a way
16 Billy Joel's "—— to Extremes"
17 Limited group?
19 Oriental absolute
20 Kind of steel
21 Astronaut in 1996 news
22 Undercover operative
24 "Frasier" character
25 Communion dishes
28 Like TV's Jaime Sommers
30 Nile bird
31 Academy student
32 Preamrange
35 Suede feature
36 Straw hats
38 Part of a name on a menu
39 Surprising "gift"
40 This comes in as March goes out
41 Quite some distance off
42 Gofer's assignment
44 Joan of Arc, e.g.
46 Salon treatment
48 Figures
49 Gentle as ——
50 Unexpected
53 Malaysian export
56 Vein
58 "The Island of the Day Before" author
59 Broadcast
60 Bristles
61 Consult
62 Unkempt
63 Discernment

DOWN
1 Stadium souvenirs
2 Blind as ——
3 Theda the vamp
4 Now and then
5 Inaugural Rock and Roll Hall of Fame inductee
6 Jibe
7 Flagwoman?
8 Circus cries
9 Elvis's "A Fool Such ——"
10 Moves in the garden
11 Sorcery
12 "Not ——!"
13 Former Philly mayor Wilson ——
18 Right-angle joints
22 News inits.
24 Activist
25 Loblolly, e.g.
26 Down with: Fr.
27 Harrison sobriquet
28 Like some breath
29 Time to beware
31 "The Postman Always Rings Twice" author
33 "Now ——, me down . . ."
34 Actress who played Tootsie's tootsie
36 One whom Pilate pardoned
37 Kind of history
41 Uzbek lake
43 Hoops target
44 Sportscaster Albert
46 Bear witness
48 Clotho and Lachesis
47 Author Walker
49 To whom "my heart belongs"
50 Resentful
51 Pigeon ——
52 Political suffixes
53 Spiffy
54 Jubilation
57 Golfer's concern



Puzzle by Chet Currier

© New York Times/Edited by Will Shortz

Solution to Puzzle of Jan. 14

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International Herald Tribune
BUSINESS/FINANCE
WEDNESDAY, JANUARY 15, 1997

Germany Moves to Sell Last Lufthansa Shares

'Overdone' Fears Depress Airline's Stock

Compiled by Our Staff From Dispatches

BONN — The government said Tuesday it would sell its remaining stake in Lufthansa AG after the airline's shares became registered, a decision that sent the stock price tumbling nearly 4 percent.

Draft legislation approved by the German cabinet will convert the airline's traditional bearer shares into registered shares. The legislation "clears the way to complete privatization of Lufthansa," Transportation Minister Matthias Wissmann said. "I am confident that with this new law we can sell the shares this year."

After the announcement, Lufthansa's shares closed at 21.01 Deutsche marks ($13.24) in Frankfurt, down 0.84.

"The fears in the market are overdone," said Nick de Bellaigue, a European transport analyst at ABN-AMRO Hoare Govett.

There was a mistaken belief that the shares would be more difficult to trade if they had to be registered, he said, but planned improvements in computerized trading would make the type of share sold irrelevant.

The draft legislation aims to ensure that a majority of Lufthansa shares stay in German hands, Mr. Wissmann said, so that the airline remains the national flag carrier and retains international landing rights. If more than 40 percent of the carrier's shares are acquired by foreign buyers, the legislation allows Lufthansa to repurchase its own shares.

The draft law, which now goes to the Parliament for approval, marks the latest step in Lufthansa's transition to private ownership, a move designed to enable the airline to compete better in the European market. The final stage of airline deregulation in Europe is set for April 1, when European Union carriers are to be allowed to transport passengers within any domestic market in the 15-nation EU.

"The company has already embraced the idea of shareholder ownership," said Chris Avery, an analyst at Paribas Capital Markets in London. "This move is more a continuation of a trend rather than the start of a new one."

Bonn still owns 35.68 percent of Lufthansa indirectly, after share sales in 1994 to reduce state ownership below 50 percent. In December, the government sold its direct stake to the state-owned bank Kreditanstalt fuer Wiederaufbau to reduce its 1996 budget deficit. *(AP, Bloomberg)*

Seoul Says It Can't Trust Paris

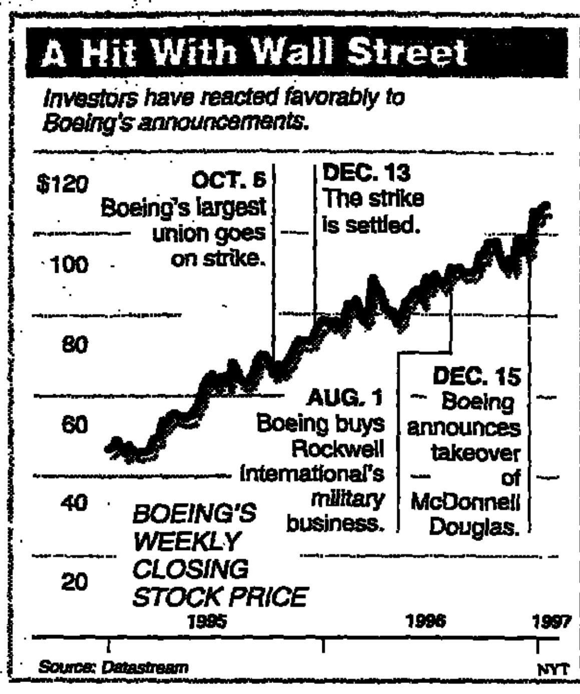
Compiled by Our Staff From Dispatches

SEOUL — President Kim Young Sam told a French envoy Tuesday that France's decision last month to scuttle an agreement to transfer Thomson Multimedia to Daewoo Electronics Co. was discriminatory and showed that France could not be trusted.

"The South Korean people believe we have been totally discriminated against," Mr. Kim told Jean-Claude Paye, a French presidential envoy sent to try to repair the damage caused by the cancellation of the transaction. "We have a bad impression of France and have come to think France cannot be trusted." Mr. Paye arrived in Seoul on Monday and promised "a fair evaluation" in a new search for a buyer for the debt-laden consumer-electronics unit of Thomson SA. He said he still thought Daewoo would be an appropriate partner for Thomson, but Daewoo has yet to decide whether it will make a new bid for Thomson Multimedia.

"We hear the privatization is being reviewed," Mr. Kim was quoted as saying. "It would be fortunate if the result is satisfactory; otherwise there will be a major impact on Korean-French relations."

South Korean politicians were angered by the French government's decision to scrap its plan to sell Thomson to Lagardere Group for the symbolic sum of 1 franc (20 cents). Lagardere was then to have sold Thomson Mulitimedia to Daewoo. But the French government said it was not confident Daewoo would meet a commitment to create jobs in France. *(Reuters, AFP, Bloomberg)*



Rick Friedman/New York Times

Philip Condit is facing a big challenge in getting Boeing and McDonnell Douglas to work as a single unit.

CEO's Goal: Make Boeing All Ears

By Adam Bryant
New York Times Service

SEATTLE — It is difficult to doubt Philip Condit when he says his most important management rule at Boeing Co. is to be a good listener.

After all, he seems to have been sent over from central casting for the role of chief listener. He is as approachable as a good high school science teacher — and then there are his ears, which are of a rather impressive size.

Mr. Condit, 55, knows how to poke fun at himself: When he led the development of the 777 jet, he established the "Golden Ears" award for employees whose listening skills led to innovations.

"You can use anything to your advantage," he said.

Mr. Condit, now Boeing's chief executive, will have to use every advantage he has in the next few years as he tries to pull off the biggest challenge of his career: getting the 200,000 employees of Boeing and McDonnell Douglas Corp. to be greater than the sum of their disparate parts.

He faces high expectations. When Boeing's $13.3 billion acquisition of McDonnell was announced in mid-December, industry specialists lauded it as a master stroke of common sense. To hear the companies tell it, they were suddenly two halves of the same grapefruit: Boeing was the world's dominant builder of commercial aircraft, with a promising future in military contracting; McDonnell was a leading supplier to the armed services with an enormous backlog of orders.

The companies also said McDonnell Douglas's steady military business would help Boeing smooth out the ups and downs of the commercial-airline business.

"Neither one of us has the right current mix, and you can die waiting for the future," said Mr. Condit, who takes the added title of chairman next month. "Together, we'll have a wonderful balance."

That is how it looks on paper, anyway. The hard part will be getting the two companies to work as one — the kind of task that Mr. Condit said made him generally opposed to such mergers in the past. He has watched from a distance as other mergers failed because employees of the acquiring company often insisted that their new co-workers do things their way.

"Almost inevitably, you end up with one group fighting the other group," he said.

In fact, that sums up much of what has weighed so heavily on McDonnell Douglas, a company long characterized by an "us-vs.-them" schism between workers at the Douglas commercial-aircraft operation in California and McDonnell employees in St. Louis, who build military aircraft.

Although it has been 30 years since McDonnell Aircraft and Douglas Aircraft merged, a story still is often told about workers at the Douglas plants sharpening their pencils down so far that only the Douglas name showed.

For all his misgivings, though, Mr. Condit said the merger with McDonnell Douglas was the logical thing to do. With the military industry shrinking, Boeing wanted to choose its partner early, rather than being left to pick through the leftovers. "It was the classic strategic imperative," he said.

To make the merger work, he said, Boeing will establish an orientation course to tell new employees from McDonnell Douglas, and remind Boeing workers, what the goals are for Boeing. McDonnell Douglas employ-

See BOEING, Page 15

Placer Dome Bids for Role In Big Mine

Offer for Bre-X Aims At Indonesian Gold

Compiled by Our Staff From Dispatches

TORONTO — Placer Dome Inc. has proposed acquiring Bre-X Minerals Ltd. for 6.35 billion Canadian dollars ($4.74 billion) in stock to try to replace Barrick Gold Corp. as Bre-X's partner in developing an Indonesia gold field that has been billed as the world's largest.

The unsolicited bid, made in a letter sent late Monday, offers Bre-X shareholders a one-for-one stock swap, a Placer Dome spokesman, Hugh Leggatt, said. From a base of Monday's closing share prices, the bid offers a 35 percent premium to Bre-X shareholders.

Placer Dome's plan also would give the Indonesian government a 40 percent interest in the Busang gold deposit on the island of Borneo, where Placer Dome would build a $1.7 billion mine and plant and mine as much as 200,000 metric tons a day, the Vancouver-based mining company said. Gold production would start in 1999 and is expected to average 3 million to 4 million ounces a year.

Analysts said the new proposal was an effort to force a bidding war for Bre-X, which has little mining experience and was ordered by the Indonesian government last year to sell a 75 percent stake in Busang to Barrick. Barrick is linked to a company controlled by President Suharto's eldest daughter.

Mr. Suharto's government would have to give permission to Bre-X to consider companies other than Barrick as a development partner.

Toronto-based Barrick is "almost certain to counter in some way if there is a fear that Placer would have a legitimate go" at buying Bre-X, said John Hainey, an analyst at Eagle & Partners Inc.

Mr. Leggatt said Placer's offer was likely to be higher than any by Barrick. "It would be surprising if it was not superior," he said. "We have the financial strength. We have the mine building expertise. We have done this kind of mine before." Bre-X shares rose 1.75 dollars to close at 23.20. Placer Dome shares fell 0.90 to 28.10, and Barrick fell 0.95 to 35.45. *(Reuters, Bloomberg)*

MEDIA MARKETS

Enron Aspires to Be a Household Name

By Allen R. Myerson
New York Times Service

HOUSTON — Even if it is America's largest independent natural-gas company, and even if it does aim to dominate an electricity market that is larger than the U.S. telecommunications market, Enron Corp. has found that just telling people what it is can pose unexpected challenges.

Its effort to choose an appropriate replacement for its old name, Houston Natural Gas/Internorth, almost foundered in the mid-1980s when Kenneth Lay, the chief executive, learned days before the new name was to be announced that the company's first choice, "Enteron," meant the digestive tract.

On Tuesday, Enron announced its first major advertising campaign to build its image at home. It will start with television spots before and after the Super Bowl professional football championship game Jan. 26 in markets including New York, Washington and Houston. Two-page newspaper spreads will follow the next day, with advertisements in business magazines and on cable television as well.

Ad campaign's kickoff: The Super Bowl game.

The goals: to persuade Americans to demand faster deregulation of the electricity industry, teach them the Enron name and then win them over as customers.

To reach those goals, Enron named Elizabeth Arendall Tilney, a former Ogilvy & Mather executive, as its marketing chief a year ago. Her former employer ran the campaign until Shell Oil Co., another client, complained of a possible conflict of interest. On Jan. 1 the Enron account went to Conquest, which is based in Paris. Like Ogilvy & Mather, Conquest is a unit of WPP Group, based in London.

Enron, which builds power plants all over the world, is perhaps best-known internationally for its 16-month legal battle with Indian authorities for permission to restart work on a $2.5 billion power plant in Maharashtra state. Work on the project, Enron's biggest international investment to date, started up again in December. In the United States, Enron is striving to transform itself from a natural-gas and electricity trader, transporter and wholesaler into a competitive electricity retailer — and into a familiar name.

"Enron is not a household name; we know that," Mr. Lay said. "But we have a chance to create an AT&T for the electricity business" as changing regulations across the United States allow companies such as Enron to compete for more electricity customers. Several states, including Massachusetts and California, will begin to open their electricity markets to competition within about a year. New York's lawmakers also are likely to debate the matter this year. Enron, pressing Washington to mandate nationwide competition, predicts that the $200 billion U.S. electricity market will be entirely open in about a decade.

Enron's initial advertising budget of $25 million to $30 million for about six months is likely within five years to exceed $200 million annually — roughly what a company such as the long-distance telephone concern Sprint Corp. spends.

Enron's ads feature customers around America and the world testifying that the company has brought them cheaper, cleaner, more reliable energy.

Many utility companies are lobbying to delay the drive toward deregulation and competition in the industry, saying it would force them to swallow the costs of power plants that had been built with regulators' encouragement.

Enron's approach would benefit Enron, not the public, said John Castagna, a spokesman for the Edison Electric Institute in Washington, which represents utility companies. "You can't act in a thoughtful, prudent manner if you're racing into a burning building, which may be what this particular company is doing," he said.

Some analysts, though, applauded Enron's initiative. Given the fight shaping up over deregulation, Curt Launer, an analyst at Donaldson, Lufkin & Jenrette Inc., said, "It's critically important to do this now."

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Jan. 14

	$	£	D.M.	F.F.	Lira	D.Fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.7915	2.9885	1.1232	0.3328	0.1155*	—	5.4485*	1.3809	1.533*	1.3265	1.3465*
Brussels	32.59	54.8425	20.6195	6.1115	2.1191*	18.3465	—	23.88	0.2825	24.12	24.665*
Frankfurt	1.5965	2.653	—	0.2962	0.1027*	0.8906	4.8584*	1.1587	1.3628*	1.1732	1.1859*
London (a)	1.669	—	2.6683	8.9797	2,607.35	2.9884	54.8269	2.2877	195.048	2.2537	222.303
Madrid	132.495	221.545	83.551	24.739	8.581*	74.285	4.8525	96.804	11.798*	97.992	—
Milan	1,546.30	2,586.40	972.59	288.37	—	867.25	47.158	1,127.20	13.28	1,144.19	11.462
New York (b)	—	1.6715a	1.593	5.376	1,551.50	1.7897	32.87	1.3735	116.93	1.3522	133.245
Paris	5.3558	8.9555	3.3774	—	0.3469*	3.0069	0.1638	3.9131	4.60*	3.9611	4.042*
Tokyo	116.59	194.85	73.31	21.73	0.754	65.31	3.5573	84.64	—	86.49	0.9784
Toronto	1.3522	2.2609	0.8479	0.2511	0.0871*	0.7541	0.4112*	0.983	1.1564*	—	1.814*
Zurich	1.3763	2.2989	0.8635	0.2563	0.0887*	0.7685	4.1077*	—	1.3783*	1.0194	1.0329*
1 ECU	1.2892	0.7351	1.9497	6.5033	1,897.86	2.1894	40.1984	1.6824	143.115	1.662	162.18
1 SDR	1.4241	0.8514	2.2593	7.607	2,198.78	2.5366	46.6639	1.951	165.805	1.9211	188.706

Closings in Amsterdam, London, Milan, New York, Paris and Zurich, fixings in other centers and Toronto rates at 3 p.m.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
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Australian $	1.2865	Hong Kong $	7.7375	N. Zealand $	1.4261	S. Kor. won	848.50
Austrian sch.	11.173	Hung. forint	164.13	Norw. krone	6.374	Swed. krona	6.9471
Brazil real	1.0416	Indian rupee	35.845	Phil. peso	26.31	Taiwan $	27.44
Chinese yuan	8.3266	Indo. rupiah	2377.00	Polish zloty	2.90	Thai baht	25.65
Czech koruna	27.50	Irish £	0.6085	Port. escudo	158.37	Turkish lira	111310.
Danish krone	6.056	Israeli shek.	3.2634	Russ ruble	5600.0	UAE dirham	3.6705
Egypt. pound	3.392	Kuwaiti dinar	0.30	Saudi riyal	3.7498	Venez. boliv.	476.25
Fin. markka	4.7429	Malay. ring.	2.4787	Sing. $	1.4045		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6696	1.6685	1.6674	Japanese yen	116.13	115.68	115.16
Canadian dollar	1.3484	1.3459	1.3434	Swiss franc	1.3677	1.3639	1.3596
Deutsche mark	1.5857	1.5828	1.5796				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

Libid-Libor Rates

Jan. 14

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 5/16 - 5 7/16	3 - 3 1/8	1 1/2 - 1 5/8	5 15/16 - 6 1/16	3 1/4 - 3 3/8	7/16 - 1/2	4 - 4 1/8
3-month	5 7/16 - 5 9/16	3 - 3 1/16	1 5/8 - 1 3/4	6 1/4 - 6 1/2	3 1/4 - 3 3/8	7/16 - 1/2	4 - 4 1/8
6-month	5 1/2 - 5 5/8	3 - 3 1/16	1 5/8 - 1 3/4	6 1/2 - 6 5/8	3 5/16 - 3 7/16	7/16 - 9/16	4 - 4 1/8
1-year	5 11/16 - 5 13/16	3 1/16 - 3 3/16	1 11/16 - 1 13/16	6 15/16 - 7 1/16	3 5/16 - 3 7/16	1/2 - 5/8	4 - 4 1/8

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/4	8 1/4
Federal funds	5 1/4	5 7/16
90-day CDs dealers	5.47	5.48
180-day CP dealers	5.33	5.33
3 month Treasury bill	5.03	5.04
1-year Treasury bill	5.29	5.35
2-year Treasury bill	5.95	6.04
5-year Treasury note	6.28	6.38
7-year Treasury note	6.38	6.48
10-year Treasury note	6.51	6.61
30-year Treasury bond	6.77	6.85
Merrill Lynch 30-day RA	4.95	4.95
Japan		
Discount rate	0.50	0.50
Call money	0.42	0.41
1-month interbank	0.53	0.53
3-month interbank	0.56	0.56
6-month interbank	0.56	0.56
10-year Govt bond	2.50	2.49
Germany		
Lombard rate	4.50	4.50
Call money	3.10	3.10
1-month interbank	3.12	3.12
3-month interbank	3.13	3.13
6-month interbank	3.16	3.17
10-year Bond	5.79	5.83
Britain		
Bank base rate	6.00	6.00
Call money	5 3/4	5 3/4
1-month interbank	6 1/8	6 1/8
3-month interbank	6 3/8	6 3/8
6-month interbank	6 9/16	6 9/16
10-year Gilt	7.54	7.59
France		
Intervention rate	3.15	3.15
Call money	3 1/4	3 1/4
1-month interbank	3 1/4	3 1/4
3-month interbank	3 1/4	3 1/4
6-month interbank	3 5/16	3 1/4
10-year OAT	5.64	5.69

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	356.85	357.50	—1.40
London	357.30	357.40	—2.20
New York	359.80	354.70	—5.00

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Feb.)
Source: Reuters.

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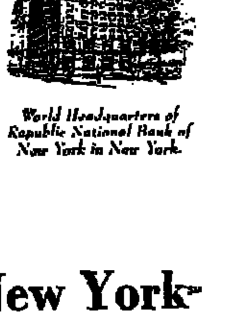

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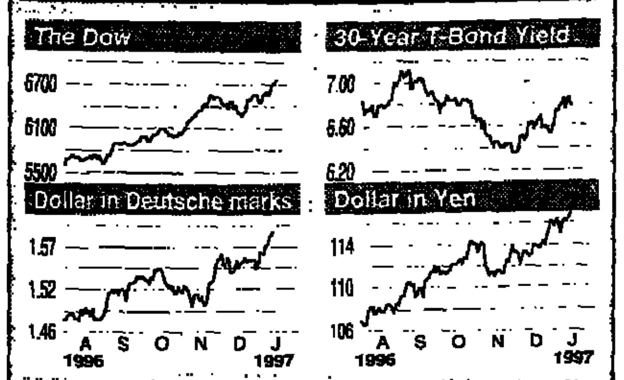
Investor's America



Exchange	Index	Tuesday Close	Prev. Close	% Change
NYSE	The Dow	6762.29	6709.18	+0.79
NYSE	S&P 500	768.86	759.51	+1.23
NYSE	S&P 100	754.33	745.48	+1.19
NYSE	Composite	405.07	400.71	+1.09
U.S.	Nasdaq Composite	1347.58	1330.91	+1.25
AMEX	Market Value	588.35	586.13	+0.38
Toronto	TSE Index	6054.86	6001.68	+0.89
São Paulo	Bovespa	76211.40	74117.50	+2.83
Mexico City	Bolsa	3631.36	3560.55	+1.99
Buenos Aires	Merval	689.39	674.38	+2.23
Santiago	IPSA General	5224.37	5160.26	+1.24
Caracas	Capital General	6479.52	6523.90	-0.68

Source: Bloomberg, Reuters International Herald Tribune

From SEC, English Lessons

By Brett D. Fromson
Washington Post Service

WASHINGTON — Most reports that companies and mutual funds are required to prepare for investors are so filled with incomprehensible jargon that even financially sophisticated people wonder in some cases whether the intent is to confuse the reader.

That is the theme of a "plain English" handbook just released by the Securities and Exchange Commission.

The 59-page handbook is the latest attempt by Arthur Levitt Jr., chairman of the SEC, to persuade publicly traded corporations and funds to "speak to investors in words they can understand."

It is written for a special circle of readers — the corporate executives and securities lawyers who prepare tens of thousands of disclosure documents each year.

"In some cases," the billionaire investor Warren Buffett wrote in a preface, "I suspect that a less than scrupulous issuer doesn't want us to understand a subject it feels legally obligated to touch upon." Mr. Buffett is respected not only for his stock-picking genius but also for the well-written reports that his company, Berkshire Hathaway Inc., sends to shareholders.

The handbook has been influenced by "Elements of Style," a classic reference book written by the late New Yorker magazine writer E.B. White and one of his former professors, the late William Strunk Jr. The guide discourages using the passive voice, weak verbs, superfluous words, jargon and unnecessary details. It offers the following example of how a dense sentence can be made clear:

Before: "The foregoing Fee Table is intended to assist investors in understanding the costs and expenses that a shareholder in the Fund will bear directly or indirectly."

After: "This fee table shows the costs and expenses you would pay directly or indirectly if you invested in our fund."

Mr. Buffett said in the preface that when he wrote reports, he liked to pretend he was talking to his sisters. "I have no trouble picturing them, he wrote. "Though highly intelligent, they are not experts in accounting or finance." He added, "My goal is simply to give them the information I would wish them to supply me if our positions were reversed."

The guide suggests that corporate authors strip away redundant information, then prepare a cover page intended to draw readers into the document. "If it looks like a legal document written by lawyers and for lawyers, many investors will not even attempt to read it," the handbook says.

Mild U.S. Price Rises Help Stocks Hit Record

Compiled by Our Staff From Dispatches

NEW YORK — Stocks closed at a record high Tuesday as interest rates dropped sharply after reports of small gains in consumer prices and retail sales soothed concern about inflation.

The Dow Jones industrial average closed up 53.11 points at 6,762.29. Advancing issues outpaced decliners by an 11-5 ratio on the New York Stock Exchange.

Among broad stock-market indexes, the Standard & Poor's 500-stock index gained 9.35 points to close at 768.86, while the Nasdaq Composite index rose 15.45 to 1,346.36.

The bond market rallied, with the price of the benchmark 30-year Treasury bond up 31/32 at 96 17/32, pushing the yield down eight basis points, to 6.77 percent.

The government said U.S. consumer prices rose 0.3 percent in December, in line with forecasts. But excluding food and energy costs, prices rose 0.1 percent, half the expected rate.

A December report on retail sales confirmed investors' perception of lackluster sales during the Christmas shopping period. Retail sales gained 0.6 percent in the month, only 0.2 percentage point more than economists had expected.

The reports reduced concern among bond investors that grew out of Friday's unexpectedly strong report on December job growth.

Benefiting most from the decline in interest rates were companies whose performance improves as interest rates decline, such as utilities and telephone companies, with their large debt loads, and banks.

NationsBank rose 3¾ to close at 106⅝, and Citicorp rose 3½ to 104¼. Among telephone shares, Bell Atlantic rose 2 to 66½, and Pacific Telesis gained ⅝ to 36½.

Financial-services, phone and

U.S. STOCKS

power companies pay investors relatively large dividends, which become more attractive to as interest rates retreat.

Investors' optimism grew after another round of strong earnings reports by banks and computer-related companies Monday.

"They're surprising everyone," said John Kornitzer, president of Buffalo Mutual Funds.

American depositary receipts of Ericsson rose ¾ to close at 33½ after the Swedish cellular phone maker said it would eliminate 300 jobs in its Norrkoping, Sweden, plant that makes circuit boards and equipment for cable-TV networks.

Ford rose ½ to 33¾. The carmaker will sell its Budget Rent-a-Car unit for $350 million to a group of franchisees.

International Paper dropped ¼ to 42⅝; the company reported a $5 million fourth-quarter loss on a one-time charge related to its investment in Scitex, a maker of computerized printing equipment.

Among semiconductor shares, Chips & Technologies tumbled 5⅛ to 16½, even as the company said profit from operations rose 90 percent to 42 cents a share, 1 cent above analysts' average forecast. Tim Christofferson, the company's chief financial officer, said margins and shipments in the current quarter would fall from last quarter's results. *(Bloomberg, Reuters, AP)*

Very briefly:

Consumer Prices Rose 3.3% in '96

WASHINGTON (AP) — The government said Tuesday that consumer prices climbed 3.3 percent for all of 1996, the biggest gain in six years. But if food and energy costs were excluded, inflation turned in its best performance in 31 years.

The Labor Department said the 1996 advance in the consumer price index followed a 2.5 percent increase in 1995. But outside the two volatile areas of energy and food, the so-called core rate of inflation rose just 2.6 percent in 1996, the best showing since 1965.

• **Ford Motor Co.** agreed to sell its interest in **Budget Rent-a-Car Corp.** to a group of Budget licensees in a deal valued at about $350 million.

• **Limited Inc.** is shuffling its management, with its chairman, Leslie Wexner, resuming control of the women's division and closing 200 apparel stores this year to try to revive profit.

• **Republic Industries Inc.** will buy **Maroone Automotive Group** for $200 million in stock, extending Republic's holdings of car dealerships.

• **Nextel Communications Inc.**, in a first for the wireless industry, said its customers could travel anywhere in the United States and use their cellular phones without paying higher "roaming" fees.

• **Joseph Vittoria** will retire as chairman and chief executive of **HFS Inc.** on Feb. 1, Avis Inc. said.

• **United Technologies Corp.**'s Pratt & Whitney unit said the president of an Italian aircraft-parts distributorship had pleaded guilty to counterfeiting Pratt jet-engine parts.

• **Sprint Corp., AT&T Corp. and BellSouth Corp.** emerged as the top bidders at a Federal Communications Commission auction of licenses to provide a type of mobile-phone service known as personal communications service. Licenses also went to 122 other companies, which paid a total of $2.5 billion.

Bloomberg, AP

Soaring Sales Lift Intel Earnings

Bloomberg Business News

SANTA CLARA, California, — Intel Corp. said Tuesday its fourth-quarter earnings more than doubled as sales rose 41 percent, beating the most optimistic analyst estimates.

Intel said net income rose to $1.91 billion, or $2.13 a share, from $867 million, or 98 cents, in the year-earlier period. Sales rose to $6.44 billion from $4.58 billion.

Analysts had expected earnings of $1.83 a share, based on the average estimate of 35 analysts surveyed by IBES International Inc. The highest estimate was $2.05. The world's largest chipmaker's stock closed at an all-time high of $147.125, up 25 cents. It released its quarterly numbers after the close of U.S. stock trading.

The company said its board had authorized a 2-for-1 stock split through a special distribution. Shareholders will vote on the split May 21.

Intel said it expected revenue in the first quarter to be about unchanged from $6.44 billion in the fourth quarter and that it expected expenses to rise by between 4 percent and 5 percent from $1.2 billion in the fourth quarter.

Intel's chief executive, Andrew Grove, said the company's performance had been driven by growth in the Internet, personal-computer sales in emerging markets and corporate PC and software upgrades.

On Monday, Advanced Micro Devices Inc. reported a fourth-quarter loss of $21.2 million, or 15 cents a share, better than the expected loss of 19 cents a share, as orders improved significantly.

Wall Street's Rally on Inflation Data Lifts the Dollar

Compiled by Our Staff From Dispatches

NEW YORK — The dollar rose against other major currencies Tuesday, pulled up by gains in stocks and bonds after government data for December showed the U.S. economy was growing without stoking inflation.

The overall December consumer price index rose 0.3 percent, as expected, while the core rate, which excludes food and energy costs, rose just 0.1 percent. Retail sales in the month rose 0.6 percent.

"It's good news for the markets," a trader at a U.S. money center bank in Chicago said. The trader said he now expected an adjusted annual growth rate of about 4 percent in U.S. gross domestic product to be reported for the fourth quarter.

The healthy economic situation is drawing overseas investors to Wall Street, and that is lifting the dollar as those investors buy the currency to finance purchases of stocks and bonds.

"That's a perfect recipe for the dollar," said Walter Simon at Bank Julius Baer. "You have news of strong growth and low inflation, and stocks and bonds are rising, and economies are weak overseas."

The dollar rose to 1.5930 Deutsche marks in late trading from 1.5887 DM on Monday, to 116.930 yen from 116.475 yen and to 5.3760

FOREIGN EXCHANGE

French francs from 5.3605, but it fell to 1.3735 Swiss francs from 1.3759 francs. The pound fell to $1.6715 from $1.6755.

The only developments holding the dollar back were comments from Japan and Germany, traders said. In Japan, the president of Toyota Motor Corp., Hiroshi Okuda, said the dollar should be trading between 100 yen and 110 yen.

In Germany, a Bundesbank council member, Olaf Sievert, said the mark had corrected its strength since the spring of 1995, when it reached a postwar high against the dollar. That suggested the Bundesbank saw no need for the dollar to gain further. *(Bloomberg, Market News)*

■ Gold Tumbles on Sales Talk

Fears that European central banks will sell a large part of their gold reserves this year to aid debt reduction sent gold prices tumbling, Agence France-Presse reported.

The Dutch central bank recently said it had sold some gold, and this has triggered fears that other European central banks were or would be selling gold to help their governments meet debt criteria for joining the single European currency.

Economic data for this year will determine which countries qualify for launching the single currency Jan. 1, 1999. On the New York Commodity Exchange, gold for February delivery closed at $354.70 an ounce, down $5.00.

AMEX

Tuesday's 4 p.m. Close
The top 300 most-active shares, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge
AMC	684	18⅝	17⅞	18¼	-⅜
ARC	314	4	3⅞	3 15/16	-1/16
ATT Fd	96	82⅞	81⅜	82½	+1¼
AVIC Gp n	220	3	2⅞	3	—⅛
Acadiana n	127	15⅝	15⅜	15⅝	+¼
AckGrp s	238	11	10⅞	10⅞	—⅛
AdmRsc	284	17⅛	16½	16⅝	—⅝
AdvMag	155	18¼	17⅞	18⅛	+⅜
AdvMed	499	4⅝	4⅜	4 11/16	—¼
AdvPhar	122	2½	2¼	2½	—⅛
AirWat	355	6⅝	6 9/16	6⅝	+⅛
AHoogen	527	15⅝	15⅜	15⅝	+¼
AlldRsh	373	7½	7⅛	7⅜	+⅛
AltLiving n	3150	12⅞	12½	12⅝	+⅛
Amdhl	2015	12⅜	12	12¼	+¼
AExpl	618	17¼	17	17⅛	—⅛
AIM 88	117	14⅜	14¼	14¼	—
AmerPac	368	4 15/16	4⅞	4⅞	—1/16
AScE	241	14¼	13⅜	14⅛	+1
ATechC	140	8⅝	8	8 9/16	+5/16
Ampal	199	5⅝	5⅜	5½	—
Ampex	5789	9⅝	9½	9⅝	—
Andrea	100	11⅜	11	11⅜	+⅜
AstLiving	111	16	15⅝	15⅝	-¼
Astrosy	485	6⅝	6 9/16	6 9/16	—1/16
Atlantis	140	10½	10	10½	+⅜
Audvox	13202	7⅞	6 15/16	7 11/16	+1 11/16
Autotote	1969	1⅞	1 11/16	1¾	+⅛
AvivaPet	198	4⅛	3¾	3¾	—
Axogen un	214	29¾	28	29½	+⅝
Azco	694	1 9/16	1½	1 9/16	+1/16
BAT Ind	497	16½	16	16½	+7/16
Baker	133	6⅝	6⅜	6⅝	—
Ballnty	109	19⅛	18⅞	18⅞	+⅛
BayMea	272	45⅞	44	44½	—1
Bayou	144	2⅞	2⅝	2⅞	+1/16
BemaGold	3080	6 1/16	5 15/16	5⅞	—1/16
BentPh	209	3 1/16	3	3⅛	—⅛
BirkMt	105	40	38¾	39⅜	+⅜
BioR A s	392	30¾	29⅞	30⅛	+½
BallTch n	244	5⅞	5 11/16	5 13/16	+⅛
Bowne	561	23⅝	23	23½	—⅛
Brandyw s	838	20⅝	19⅞	20	+⅛
Brscn g	207	23½	22⅝	23½	+1
BrllDig n	1254	5⅛	4⅜	4⅞	—⅜
Buffton	216	2 7/16	2¼	2 5/16	-1/16
CIM	159	8⅛	7⅞	8⅛	-⅛
Cablvsn	480	33⅛	32⅝	32¾	—⅜
Cablvs pf	408	21⅝	21½	21⅝	—
Cabletel g	171	5⅞	5 13/16	5⅞	+1/16
Calton	128	5/16	5/16	5/16	—
Cambior	593	14⅝	14	14⅝	—
Cambrx s	144	34⅝	34⅝	34⅝	—
CdnOc g s	3563	18	17⅜	18	+⅛
CanyonRs	719	2½	2⅜	2 7/16	—1/16
CFCda g	213	4 7/16	4⅜	4⅜	—
CentSe	115	25	24½	24½	+¼
ChaseCp	121	8	7⅞	7⅞	—⅛
Cognitrn	98	5⅛	4⅞	5⅛	+⅛
ConenStr	201	12⅝	12⅛	12⅝	-⅜
CdlLb	946	14⅛	13⅞	13⅞	—⅜
Comforce	186	12⅜	11½	12⅜	+⅜
CmclAst	191	6 11/16	6⅝	6⅝	—
CmdMan	230	13⅝	13⅛	13¼	+⅛
Continucra	211	8⅛	8	8	—
Cross	715	12⅜	11⅜	12¼	+⅝
ecCrwnL	662	1 9/16	1 7/16	1 9/16	+1/16
CybexIntl	282	11⅝	11¼	11½	+⅛
Cycom gs	430	3 1/16	2 13/16	2 15/16	—1/16
DI Ind	1613	3½	3¼	3⅜	—1/16
DakotaM	394	1⅝	1 9/16	1⅝	—1/16
DanHd	183	5⅝	5½	5⅝	+⅛
Datamet	439	1 1/16	1	1	—1/16
Dataram	209	10⅛	9⅞	9⅞	—⅛
DaytonMn	226	6 7/16	6⅛	6 5/16	—1/16
DevnE	591	38¼	37½	38	—⅛
DigitCT	106	1 7/16	1⅜	1⅜	—
Diodes	100	7½	7⅜	7½	—
DalAutEx	448	39½	38⅞	38⅞	—⅝
DryfMu	262	10¼	10⅛	10¼	+⅛
EZ Serv	110	1 7/16	1⅜	1⅜	—
EchoBay	8462	6 13/16	6½	6 9/16	—½
Edisto	327	9⅝	9½	9⅝	+⅛
Edlek	1123	11/16	⅝	⅝	—1/16
ElPasoE n	1338	7⅛	7 1/16	7⅛	—
Elswth	198	10½	9 15/16	10½	+⅜
Emeritus	369	11⅝	11⅛	11¼	—⅜
EmerR	380	1⅛	1 1/16	1⅛	—
EmpCar	219	4⅝	4	4	—¼
EnvrTc	106	7⅝	7	7⅝	+9/16
EnzoBi	3350	19	18	18¾	+⅜
Equisure n	172	8⅝	7½	8⅜	+⅞
EquusII	164	16⅝	16⅜	16⅜	+⅛
Espey	96	17	16	17	+1
FarmTel s	160	3⅛	2⅞	3⅛	—
FemHlth	127	4 9/16	4	4 9/16	—
Fibrbd	109	33⅜	33⅛	33¼	—
FinFdl s	100	17⅛	16⅜	17	+⅝
FlAust	667	8⅝	8⅝	8 11/16	—
FAusPr	3019	8 11/16	8 9/16	8 11/16	+⅛
Fiber	259	11¼	11⅛	11¼	+⅛
ForstLb	1872	33⅛	32⅝	32⅞	+⅛
FortPet	637	3⅛	3	3⅛	+⅛
FrnkSel	554	5⅝	5½	5½	—
GST Tele	1456	10⅜	10⅛	10⅜	—
GamaB	523	3⅝	3 7/16	3½	-⅛
GayICn	992	7⅛	6⅞	7	—
GelmSci	563	32⅞	32¼	32⅛	-⅝
Gencor	119	18½	17⅝	17⅝	—⅞
GnAuto	147	2½	2 7/16	2 7/16	—1/16
GetchGld	230	37⅞	37⅛	37½	—⅜
GiantFd	1475	34½	34¼	34⅜	+⅛
Glatflt	218	18⅛	17⅞	18	—
GlobSml	114	12¼	11⅞	12⅛	+¼
Globink	385	3⅝	3¼	3½	+⅛
GoVideo	182	1 9/16	1 7/16	1 9/16	—1/16
GldStarR	596	15	14⅝	14⅞	—⅛
GldFld	132	5/16	¼	¼	—1/16
GrteBayC	205	1 11/16	1 9/16	1 9/16	—1/16
Greenbn	130	15⅝	14⅞	15⅝	+⅛
GreyhndL	5404	4 13/16	4⅝	4 11/16	+1/16
HallEP	491	9⅝	9⅜	9⅜	—⅛
Halsey	121	5⅝	5⅝	5 11/16	-1/16
HallerM n	1006	18	16⅜	17½	+⅛
HanqOr	117	6 9/16	6½	6 9/16	+1/16
HanvDir	2223	1 3/16	1 1/16	1 1/16	+1/16
Han wtB	3640	1/32	1/32	1/32	—1/32
Harken	26959	4	3 15/16	4	+1/16
Hasbro	6156	39⅛	37½	39⅛	+1⅜
HlthPro s	255	1⅝	1	1⅝	—1/16
Hears n	5190	2⅞	2⅝	2⅝	—⅛
Heico s	111	26⅜	25¼	25⅝	—⅜
HiShearT	156	6⅝	6⅛	6⅜	—⅛
HomeVil n	801	19⅛	18⅞	19⅛	+⅛
HomeV wt	237	9⅛	8 13/16	9⅛	+⅛
Hondo	119	11⅜	11¼	11⅜	-⅛
HovnEn	147	7 11/16	7 9/16	7 9/16	—⅛
ICG Com	5630	17⅞	16½	16⅝	—⅜
IGI	229	7	6 15/16	7	+⅛
Identor	462	10	9 11/16	9 15/16	—1/16
ImpCMrg	423	22⅞	22½	22½	—⅛
ImpOil g	536	47¼	46½	47⅛	—
InstMkt	246	12⅝	11⅞	12⅝	+⅜
IntegTc n	282	2⅝	2⅜	2⅜	—⅛
IntegTc wt	210	⅝	9/16	9/16	—1/16
InCtPd	147	3¼	3⅛	3 5/16	+1/16
InterDig	3643	7	6 11/16	6 15/16	+⅛
ecIntrine	148	1	⅞	15/16	+1/16
Intrmagn	147	12⅜	12⅜	12⅜	+⅛
IntThrgh	153	3 11/16	3 9/16	3 9/16	-1/16
IonLaser	328	12	11⅛	11¼	—⅝
IvaxCp	5066	10⅝	10½	10⅝	—
JTS Corp	3414	3¼	3 1/16	3 3/16	+⅛
Jetronic	113	1⅝	1⅛	1⅛	+1/16
KFX Inc	276	5½	5¼	5⅜	—⅛
KV Ph B	278	15¼	14⅝	14⅝	+¾
KV Ph A	986	15½	14¼	14¼	+⅜
Keane s	3074	34⅜	33⅝	34⅜	+⅜
KeyEng	2178	13⅝	13¼	13⅜	—⅛
KnogNA	108	5⅝	5⅝	5 9/16	—1/16
KogrEq	1103	18¼	18	18⅛	-⅛
LXRBiot	313	2 11/16	2½	2⅝	—
LaBarg	258	7	6 15/16	7	—
LsrTech	301	4½	4¼	4½	+⅛
LawrG	110	½	½	½	+⅛
LehSTc wt	1179	8	7⅞	8	+½
LilVern	113	13	12⅞	13	—
MAI Sys	781	8	7 11/16	7⅞	+3/16
MagnPet	267	4 11/16	4⅝	4 11/16	—⅛
Maxam	229	52⅞	51⅜	52⅜	+⅜
MedcR	329	10½	10	10½	+½
Medeva	417	17⅞	17⅞	17½	—⅛
Medio	425	31	30½	31	+⅛
MediaLog	104	3⅛	3	3⅛	—
Media	284	6½	6 5/16	6 7/16	+1/16
MercAir	154	7⅝	7⅜	7⅝	—
MLRusflwt	100	4 9/16	4 9/16	4 9/16	+1/16
ML TTY n	216	10¼	10	10⅛	—
MetPro s	150	14⅛	13⅞	14	+⅛
Metromda	636	11⅜	11	11⅜	+⅜
MidatRty	110	11⅜	11⅜	11½	—⅛
MorgnF	259	½	½	½	—
MSNik 97wt	151	2⅝	2½	2 9/16	+1/16
MatasiaE	567	3½	3 7/16	3½	—
Munvst	580	9 9/16	9 7/16	9 9/16	+1/16
MunyAZ	118	12⅛	12	12	—⅛
NTNCom	495	3 9/16	3⅜	3 9/16	+1/16
NVR	638	14⅛	13⅞	14	+⅛
Nabors	2225	21	20⅝	20½	—½
Nantck	374	3	2⅞	2⅞	—⅛
NatBev s	201	8⅛	8⅛	8⅛	-⅛
NtPatnt	119	8⅜	8⅛	8⅛	—⅛
NY Times	1108	37⅞	37⅛	37⅜	+⅜
NA Vacc	278	24½	23⅞	24⅛	-⅛
Novavx	142	4	3 15/16	3⅞	—1/16
OmniMult	1128	2¼	2⅛	2 3/16	—
Oncor	751	4 1/16	4	4 1/16	—
Oncormd	455	6⅛	5½	5⅝	—⅛
Oranan	2583	23	22⅝	23	-⅜
PLC Sys	449	26½	25⅞	26	—
PMC CT	99	17⅛	17⅛	17⅛	—⅛
PacGate	97	3 11/16	3½	3 11/16	+⅛
PanAmC n	265	8¼	8	8 1/16	—3/16
PaxsnC	775	9¼	8⅞	9	—
PegGld	3089	7⅜	7	7⅛	—
PenRE	100	25	24⅝	24⅝	—
PeopleTel	107	3⅛	3⅛	3⅛	+⅛
PhxNet	1056	4⅛	3 15/16	4	—
Phonetel	738	3⅝	3½	3 9/16	+1/16
PinnclBk	229	17½	17⅜	17⅜	—⅛
PlnRsc	780	17⅛	16¼	17	+½
Polymed	429	4⅝	4½	4½	—
Polyph	360	5¼	5	5	—⅛
PrpdLg	850	16⅛	15⅝	15⅝	—⅛
Pricell s	929	10⅜	9⅞	10¼	+⅜
PropCT	325	8 11/16	8 9/16	8⅝	+⅛
Prvena	116	2¾	2⅝	2⅝	-⅛
PsycCp	478	7 9/16	6⅞	7 5/16	+⅛
QC Opt n	115	5⅜	5	5⅜	+⅛
QC Opt wt	380	1⅜	1⅛	1⅛	—1/16
RF Pow	193	2⅜	2⅛	2¼	—
RecGold	480	1 1/16	1	1 1/16	—1/16
RegalBel	207	20	19⅞	19⅞	—
Riser	287	32⅛	31⅜	32⅛	+⅜
Rogers	189	27½	27¼	27½	—
Rotonic	134	1½	1⅜	1½	—
RoyalO g	2577	3 1/16	3	3 1/16	—⅛
SaboPet s	737	23⅜	21½	22⅝	—⅛
SagaCm s	103	19⅝	19⅝	19⅝	+⅛
SBYen wt98	560	6⅛	5⅞	6	+½
SFeGa pf	295	1/16	1/16	1/16	—1/16
Selas	96	17⅝	16¼	17⅝	+1½
Sellcare n	96	12⅜	12⅜	12⅜	—
ShefldMd	423	3½	3 7/16	3½	—
ShellCm s	164	11⅛	11	11⅛	—
ecSoligen	136	⅞	¾	⅞	—
SPDR	19453	[illegible]	76½	[illegible]	[illegible]
SP Mid	908	[illegible]	[illegible]	[illegible]	[illegible]
StarrtCp	719	11¼	10⅞	11	—
SterlHous	627	9⅜	8⅞	9⅜	+⅜
SubstAbus	5289	2⅛	1 15/16	2⅛	+1/16
Sulcus	755	2 1/16	2	2 1/16	+1/16
Sybron	146	16⅝	16	16⅝	+⅜
TabPrd	131	9 11/16	9 9/16	9 11/16	+1/16
TecOpsSv	100	15⅛	14⅝	14⅝	+⅜
TelDta	1405	35⅝	35	35⅝	+⅛
TexBiotch	605	4⅝	4⅝	4⅝	—⅛
TexMer	3883	16⅛	15⅞	16	—⅛
Thermed	779	19⅝	19¼	19⅝	—
ThrmBio n	265	14	13½	13½	—⅜
ThCar s	109	30⅛	29¾	29⅞	+⅛
ThrFibr n	500	9⅝	9⅝	9 11/16	+1/16
ThrFibr rt	450	3	3	3	—⅛
ThmFib s	97	8⅝	8⅝	8 11/16	—1/16
Thrlngt	144	32⅝	32⅜	32⅝	-⅜
ThrmPw	140	9¼	8⅞	9¼	+⅛
ThrmRe	885	7 15/16	7¾	7⅞	—1/16
ThrmTar	611	8 13/16	8⅝	8⅝	—⅛
ThrVolt s	913	12⅞	11⅜	12½	+1⅛
Thrmotre	2153	17⅝	16⅞	17⅛	+⅜
Thrmon	231	30⅝	30⅛	30⅜	+⅛
Tippery	140	4⅛	4½	4⅝	+1/16
TopSrce	1480	2⅞	2 11/16	2⅞	+1/16
TotlPet	130	10⅛	10½	10⅛	—
TownCty	293	5/16	5/16	5/16	—
TWA	3667	6 11/16	6½	6⅝	—1/16
TmsLx	140	12⅞	12	12⅞	-⅜
Trnsmnl n	105	14	13⅞	13⅞	—⅛
TrexMed n	227	16⅞	15⅝	15¼	—1⅛
TriniTech	177	5⅝	5⅝	5⅝	+⅜
Triton	250	⅞	13/16	⅞	—
TubMex	3636	16½	15⅞	16⅜	+⅜
USFGP	308	18⅝	18⅛	18⅝	—
UTI Eng	142	35⅛	34⅝	34⅝	—⅝
Unapx	148	4⅝	4½	4½	—⅛
Unax wtB	134	13/16	11/16	11/16	—
Unilab	395	9/16	½	½	—1/16
Unimar	178	5	4⅞	4 15/16	—1/16
UniqMbl	319	4½	3 15/16	4½	+½
USBiosci s	1254	15⅛	14⅞	15⅛	+⅛
US Cell	578	27½	27	27⅜	+⅜
VKAdM2	106	11⅜	11½	11½	—⅛
VKSelS	249	10⅜	10½	10½	—⅛
Viacom	595	36¼	35¼	35⅝	—⅜
ViacB	6669	36⅜	35⅜	35⅝	—⅜
Viac wtC	171	1½	1 9/16	1½	+1/16
VisteG g	380	1⅝	1½	1⅝	+1/16
Vitronic	277	1⅝	1 7/16	1 7/16	—
WRIT	802	19¼	18⅞	19⅛	-⅛
Webcoind	121	5⅝	5 7/16	5 9/16	—1/16
Welco s	147	12	9	12	—½
WIRET	514	13⅜	13	13½	—
WirelssT s	470	11½	11⅜	11¼	—⅜
WEBGer n	146	14⅜	14 5/16	14⅜	+⅛
WEB HK n	281	15 11/16	15⅜	15⅜	—⅛
WEB Jap n	306	12 9/16	12⅜	12⅜	—
WEB Mex n	300	12 11/16	12⅝	12 11/16	+1/16
WEB Sing n	125	12	11⅞	12	—1/16
XCL Ltd	57886	⅜	⅜	5/16	—1/16
Xytron	331	1⅝	1½	1⅝	+1/16

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	6731.50	6788.84	6707.64	6762.29	+53.11
Trans	2265.84	2277.56	2255.21	2269.23	+14.02
Util	237.77	238.26	237.07	237.70	+0.63
Comp	2088.23	2101.17	2080.58	2094.88	+14.22

Standard & Poors

	High (Previous)	Low (Previous)	Close (Previous)	Today 4:00
Industrials	898.81	891.62	895.01	904.69
Transp.	548.69	543.16	545.60	548.26
Utilities	201.90	201.09	201.81	202.55
Finance	83.08	82.31	82.59	84.53
SP 500	762.85	756.69	759.51	768.86
SP 100	748.43	741.91	745.48	755.34

NYSE

	High	Low	Last	Chg.
Composite	406.24	400.71	405.07	+4.36
Industrials	513.85	507.73	512.22	+4.49
Transp.	358.12	355.20	357.29	+2.09
Utility	265.19	261.77	264.58	+2.81
Finance	362.45	354.68	361.47	+6.79

Nasdaq

	High	Low	Last	Chg.
Composite	1348.27	1338.86	1347.58	+16.47
Industrials	1149.12	1144.53	1148.53	+7.51
Banks	1298.25	1287.84	1298.25	+11.44
Insurance	1445.81	1440.35	1445.74	+8.97
Finance	1614.04	1603.45	1614.04	+15.01
Transp.	902.94	896.68	898.18	-0.19

AMEX

High	Low	3PM	Chg.
588.20	586.13	587.55	+1.42

Dow Jones Bond

	Close	Chg.
20 Bonds	103.28	+0.26
10 Utilities	100.27	+0.26
10 Industrials	106.29	+0.26

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
AMD	85473	33¼	30⅝	32⅝	+3⅛
CmpAsc s	69168	47⅝	45	47	+1⅝
CmpUSA s	59305	18	14⅛	17½	[illegible]
WalMart	57263	23⅝	23⅛	23½	—
BayNtwk	51631	23⅝	22⅛	23⅜	+⅛
Conseco s	49786	73	70	70⅜	-3⅛
AT&T s	40488	39½	38⅞	38⅞	-⅛
Compaq	44037	80⅛	78⅛	79⅜	-⅛
MicrnT	43115	33	31⅜	32½	+½
Seagate s	37611	49⅝	47	49⅛	+2⅛
EMC	36849	38⅞	35½	38⅛	+3⅛
PepsiCo s	35550	29⅞	29½	29⅝	+⅛
CocaCl s	34992	55⅝	54⅞	55½	+1⅛
GenElec	34320	105	103⅝	104⅞	+1⅛
Motorola	34235	67⅝	65⅜	67	+1¼

Nasdaq

	Vol.	High	Low	Last	Chg.
Intel	147179	149⅝	146½	147⅛	-⅛
ChipsTc	110024	21½	15⅝	16½	-5¼
Cisco s	86498	72⅛	69½	72⅛	+3
NextelCm	79022	15⅛	14⅛	15⅛	+1⅛
Microsft s	78090	86⅛	84⅞	85⅞	+1⅛
OxHlth s	76229	55⅜	50⅞	52⅛	-2⅜
Oracle s	72260	43⅜	41⅜	43⅛	-2½
Reptnd s	68644	37½	36⅛	37	-1⅛
Netscape	65469	46⅞	41⅞	42⅛	-4⅛
Exabyte	61890	11⅛	9½	9½	-3⅛
CorCanc	61414	3½	[illegible]	[illegible]	[illegible]
DellCpt s	61208	65⅞	62⅛	65⅞	+4⅛
Amgen	56774	55	53⅝	54⅛	-1⅜
TeleCmA	56285	14¼	13⅝	14⅛	+½
ReadRt	54980	31	30	30⅛	-1½

AMEX

	Vol.	High	Low	Last	Chg.
XCL Ltd	67886	⅜	⅜	5/16	—1/16
Harken	26959	4	3 15/16	4	+1/16
SPDR	19453	[illegible]	76½	[illegible]	[illegible]
Audvox	13202	7⅞	6 15/16	7 11/16	+1 11/16
EchoBay	8462	6 13/16	6½	6 9/16	—½
ViacB	6669	36⅜	35⅜	35⅝	—⅜
Hasbro	6156	39⅛	37½	39⅛	+1⅜
Ampex	5789	9⅝	9½	9⅝	—
ICG Com	5630	17⅞	16½	16⅝	—⅜
GreyhndL	5404	4 13/16	4⅝	4 11/16	+1/16

Trading Activity

NYSE

	Close	Prev.
Advanced	2300	2053
Declined	1827	2021
Unchanged	1599	1656
Total issues	5726	5730
New Highs	277	240
New Lows	70	54

AMEX

	Close	Prev.
Advanced	338	289
Declined	227	246
Unchanged	179	205
Total issues	744	740
New Highs	37	37
New Lows	7	7

Nasdaq

	High	Low	3PM	Chg.
Composite	1344.91	1338.86	1344.91	+14.00
Industrials	1146.32	1144.53	1146.32	+5.30
Banks	1293.72	1287.84	1293.72	-6.71
Insurance	1445.15	1440.35	1440.35	-3.58
Finance	1610.54	1603.45	1610.17	+11.14
Transp.	902.94	898.21	900.20	-1.83

Market Sales

	Today Close	Prev. cons.
NYSE	531.60	540.07
Amex	28.84	31.57
Nasdaq	642.68	612.09

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Cascade Bncp	-	.50	1-22	—
IDEX Tx Exempt	-	.032	1-14	1-20
IDEX Tx Ex B	-	.027	1-14	1-20
IDEX Tx Ex C	-	.03	1-14	1-20
IDEX Income Plus	-	.046	1-14	1-20
IDEX Flex Inco A	-	.028	1-14	1-20
IDEX Flex Inco B	-	.024	1-14	1-20
IDEX Flex Inco C	-	.025	1-14	1-20
MuniVest NY In	-	.1146	1-24	1-30
MuniYld CA Ins II	-	.397	1-24	1-30
MuniYld Insur Fd	-	.144	1-24	1-30
MuniYld NY Ins II	-	.1226	1-24	1-30
MuniYld NY Ins III	-	.1185	1-24	1-30
NCE Petrofund g	-	.07	1-20	1-31
INITIAL				
Dollar General n	-	.05	2-21	3-10
Leviathan Gas n	-	.40	1-31	2-14
MBNA Inc n	-	.18	3-17	4-1
South Street Fin	-	.08	1-24	2-7
REGULAR				
Apogee Enterprs	Q	.09	1-28	2-12
Barclays Bk C2	b	.7031	1-22	3-3
Barclays Bk D2	b	.7188	1-22	3-3
Birmingham Stl	Q	.10	-24	2-4
Crown Cork	Q	.25	2-3	2-20
LeaRonal Inc	Q	.18	1-28	2-11
Movado Group	Q	.03	1-20	1-31
MuniVest NY In	M	.1146	1-24	1-30
MuniYld CA Ins II	M	.1397	1-24	1-30
MuniYld Insur Fd	M	.144	1-24	1-30
MuniYld Ins II	M	.3796	1-24	1-30
MuniYld NY Ins II	M	.1226	1-24	1-30
RPM Inc	Q	.13	1-20	1-31
SantaFe Pac Pipe	Q	.75	1-31	2-14
Village Bncp	Q	.18	1-30	2-7
INCREASED				
Bank of NY	Q	.24	1-24	2-6
F&M Bancorp	Q	.22	1-24	2-1
La-Z-Boy Chair	Q	.21	2-20	3-10
Pall Corp	Q	.14	1-24	2-7

STOCK SPLIT
Apogee Enterprises 2 for 1 split.
Dollar General 5 for 4 split.

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.
a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99.cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Jan. 14, 1997

	High	Low	Close	Chge	Opint
Grains					
CORN (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 97	2.72½	2.66½	2.70¾	-0.03½	135,152
May 97	2.72½	2.67¼	2.71¼	+0.02¾	57,685
Jul 97	2.72¾	2.68	2.71½	+0.02	54,554
Sep 97	2.68	2.63¾	2.67¾	+0.03	7,432
Dec 97	2.66	2.61½	2.65½	+0.03	38,224
Est. sales N.A. Mon's. sales 47,375					
Mon's open int 297,590 off 1105					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Jan 97	238.70	236.50	237.30	-1.40	5,789
Mar 97	233.00	230.00	230.80	-1.50	37,142
May 97	229.30	227.30	228.00	-1.00	19,235
Jul 97	229.00	226.50	227.70	-1.00	15,711
Aug 97	226.50	224.00	225.50	-1.30	2,955
Sep 97	221.30	218.50	219.00	-1.60	2,629
Est. sales N.A. Mon's. sales 29,384					
Mon's open int 85,918 up 224					
SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.					
Jan 97	24.58	24.33	24.55	-0.10	3,138
Mar 97	24.95	24.68	24.89	-0.04	52,443
May 97	25.26	25.01	25.20	-0.01	17,392
Jul 97	25.55	25.32	25.53		12,769
Aug 97	25.62	25.44	25.62	-0.03	2,475
Sep 97	25.70	25.55	25.70		2,541
Est. sales N.A. Mon's. sales 42,013					
Mon's open int 93,807 up 4440					
SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel					
Jan 97	7.36½	7.30	7.33¾	+0.01	3,467
Mar 97	7.40	7.32¾	7.37	+0.08¼	71,511
May 97	7.40½	7.33	7.37¾	-0.00¼	30,382
Jul 97	7.41½	7.35	7.38¼	-0.00¼	27,948
Aug 97	7.37	7.33	7.33½	-0.02	4,627
Est. sales N.A. Mon's. sales 83,881					
Mon's open int 153,560 up 2419					
WHEAT (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 97	3.92	3.87	3.88	-0.03	29,961
May 97	3.77½	3.72	3.73½	-0.02¾	8,207
Jul 97	3.61¾	3.56½	3.58¼	-0.02	21,528
Sep 97	3.65	3.60½	3.61¼	-0.02¼	1,167
Est. sales N.A. Mon's. sales 17,256					
Mon's open int 61,908 off 3000					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Feb 97	66.25	64.95	65.97	+0.40	31,163
Apr 97	66.97	66.10	66.90	+0.28	29,183
Jun 97	63.95	63.30	63.85	+0.20	12,321
Aug 97	64.05	63.57	64.02	+0.15	11,567
Oct 97	66.65	66.30	66.55	-0.02	7,312
Dec 97	68.17	67.90	68.15	+0.03	2,831
Est. sales 18,949 Mon's. sales 13,017					
Mon's open int 95,212 up 719					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb					
Jan 97	68.60	68.25	68.45	-0.07	2,311
Mar 97	68.60	68.00	68.50	+0.05	7,012
Apr 97	68.90	68.35	68.70		2,466
May 97	69.45	68.95	69.40	+0.08	3,527
Aug 97	71.87	71.40	71.85	+0.40	2,483
Sep 97	71.80	71.45	71.60	+0.20	425
Est. sales 3,116 Mon's. sales 2,159					
Mon's open int 19,216 off 13					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Feb 97	77.77	76.80	77.72	+0.60	13,260
Apr 97	76.32	75.35	76.20	+0.25	8,919
Jun 97	79.45	78.75	79.30	+0.13	6,541
Jul 97	76.70	76.10	76.40	-0.15	1,432
Aug 97	74.00	73.40	74.00	+0.15	1,246
Oct 97	67.25	67.00	67.17		1,273
Est. sales 9,434 Mon's. sales 8,317					
Mon's open int 33,724 up 1593					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb					
Feb 97	78.25	76.37	77.87	+0.97	3,999
Mar 97	78.15	76.50	77.97	+1.22	1,014
May 97	79.40	77.72	78.80	+0.73	1,221
Jul 97	78.85	77.10	78.42	+0.27	462
Aug 97	75.75	74.40	75.25	+0.85	386
Est. sales 2,689 Mon's. sales 2,469					
Mon's open int 7,024 off 150					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
Mar 97	1344	1335	1338	+2	28,989
May 97	1366	1360	1361	+1	18,349
Jul 97	1387	1382	1382	+1	11,304
Sep 97	1408	1401	1401	-1	7,454
Dec 97	1420	1417	1419	+2	2,186
Est. sales 6,703 Mon's. sales 4,263					
Mon's open int 85,680 off 253					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Mar 97	122.50	119.25	122.20	+3.75	21,312
May 97	119.00	117.25	118.85	+2.45	7,748
Jul 97	117.25	115.30	116.35	+2.05	2,690
Sep 97	115.00	113.00	113.75	+1.25	2,094
Est. sales 11,875 Mon's. sales 8,481					
Mon's open int 35,606 off 3					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Mar 97	10.66	10.49	10.51	+0.02	48,959
May 97	10.75	10.59	10.60	-0.02	32,875
Jul 97	10.68	10.56	10.56	-0.02	25,693
Oct 97	10.68	10.58	10.59		16,017
Est sales 13,904 Mon's. sales 30,123					
Mon's open int 151,471 off 3436					

	High	Low	Close	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Mar 97	83.00	79.80	82.35	+2.80	21,612
May 97	85.80	83.10	85.10	+2.50	5,311
Jul 97	88.40	86.00	88.10	+2.60	1,382
Sep 97	91.00	88.50	90.60	+2.25	618
Est. sales N.A. Mon's. sales 2,765					
Mon's open int 29,265 up 455					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Jan 97			353.70	-5.00	8
Feb 97	359.80	354.00	354.70	-5.00	94,584
Mar 97			355.50	-5.10	
Apr 97	361.30	356.00	356.50	-5.10	30,412
Jun 97	363.40	358.00	358.80	-5.10	17,991
Aug 97	366.00	363.70	361.20	-5.10	5,779
Oct 97	368.20	366.30	363.60	-5.10	3,148
Dec 97	370.70	368.50	366.10	-5.10	16,035
Est. sales N.A. Mon's. sales 42,443					
Mon's open int 203,630 off 7					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Jan 97	110.00	107.80	108.20	-1.10	4,181
Feb 97	108.20	106.25	106.75	-0.85	2,479
Mar 97	107.60	104.90	105.45	-0.90	26,881
Apr 97	105.10	103.50	103.65	-0.80	991
May 97	103.50	101.90	102.00	-0.70	5,938
Jun 97			101.00	-0.70	742
Jul 97	101.10	100.00	99.95	-0.55	4,300
Aug 97	100.15	100.15	99.05	-0.50	602
Sep 97	99.40	98.25	98.15	-0.45	2,522
Est. sales N.A. Mon's. sales 6,650					
Mon's open int 57,388 up 588					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Jan 97			464.1	-4.1	6
Feb 97			465.6	-4.2	2
Mar 97	474.5	467.0	467.5	-4.2	64,167
May 97	478.0	472.0	472.0	-4.2	10,231
Jul 97	482.5	477.5	476.6	-4.2	8,660
Sep 97	486.0	484.5	481.2	-4.2	2,962
Dec 97	492.5	488.0	488.2	-4.2	5,015
Jan 98			491.0	-4.2	9
Est. sales N.A. Mon's. sales 17,447					
Mon's open int 93,281 up 2423					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jan 97			360.80	-2.20	25
Apr 97	368.70	365.50	365.50	-1.20	18,723
Jul 97	370.00	368.00	367.80	-1.20	2,392
Oct 97	372.80	371.00	370.20	-1.20	2,259
Jan 98	373.80	373.80	372.40	-1.20	1,074
Est. sales N.A. Mon's. sales 2,319					
Mon's open int 24,513 off 564					

LONDON METALS (LME)
Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1582½	1583½	1585.00	1586.00
Forward	1615½	1616.00	1617.00	1618.00
Copper Cathodes (High Grade)				
Spot	2450.00	2455.00	2450.00	2455.00
Forward	2280.00	2282.00	2266.00	2267.00
Lead				
Spot	699½	700½	681½	682½
Forward	708.00	709.00	691.00	692.00
Nickel				
Spot	7085.00	7095.00	7040.00	7050.00
Forward	7190.00	7195.00	7140.00	7150.00
Tin				
Spot	5975.00	5985.00	5895.00	5905.00
Forward	6020.00	6025.00	5940.00	5945.00
Zinc (Special High Grade)				
Spot	1083½	1084½	1044½	1045½
Forward	1106.00	1107.00	1067.00	1067½

	High	Low	Close	Chge	Opint
Financial					
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Mar 97	94.92	94.89	94.90	+0.02	4,790
Jun 97	94.76	94.74	94.76	+0.05	2,723
Sep 97	94.55	94.54	94.55	+0.07	167
Est. sales N.A. Mon's. sales 26,296					
Mon's open int 7,680 off 82					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 97	106-08	105-26	106-075	+ 125	169,171
Jun 97	105-31	105-29	105-31	+ 13	4,577
Est. sales N.A. Mon's. sales 29,268					
Mon's open int 173,748 off 386					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 97	108-19	107-28	108-17	+ 19	318,655
Jun 97	107-31	107-12	107-30	+ 19	11,807
Sep 97	107-15	107-12	107-15	+ 19	180
Est. sales N.A. Mon's. sales 42,622					
Mon's open int 330,642 up 2204					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Mar 97	111-15	110-10	111-13	+ 100	480,226
Jun 97	110-30	109-28	110-29	+ 101	16,593
Sep 97	110-15	109-28	110-15	+ 101	5,313
Dec 97	110-01	109-29	110-01	+ 101	3,805
Est. sales N.A. Mon's. sales 197,494					
Mon's open int 485,997 off 4310					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Mar97	101.27	100.69	101.20	+ 0.33	225,534
Jun97	100.30	99.85	100.30	+0.33	4,248
Est. sales: 236,350. Prev. sales: 208,511					
Prev. open int.: 229,782 up 6,319					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Mar97	109-27	109-11	109-24	+ 0-07	140,349
Jun97	109-03	109-03	109-05	+ 0-08	88
Est. sales: 52,873. Prev. sales: 42,340					
Prev. open int.: 140,437 up 9,588					

	High	Low	Close	Chge	Opint
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Mar 97	130.18	129.54	130.04	+0.38	128,869
Jun 97	128.74	128.22	128.64	+0.38	10,796
Sep 97	126.88	126.54	126.96	+0.38	132
Dec 97	N.T.	N.T.	96.40	+0.38	0
Est. volume: 200,024. Open int.: 139,797 up 9,720.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Mar97	130.85	129.91	130.45	+ 0.32	99,214
Jun97	130.30	129.65	130.27	+ 0.32	1,904
Est. sales: 69,942. Prev. sales: 64,044					
Prev. open int.: 101,120 up 8,350					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Feb 97	94.420	94.370	94.410	+40	10,399
Mar 97	94.380	94.320	94.360	+30	415,624
Apr 97	94.310	94.250	94.300	+110	77,724
Jun 97	94.200	94.120	94.190	+60	361,907
Mar 00	93.250	93.120	93.250	+120	38,583
Jun 00	93.190	93.080	93.190	+120	35,007
Sep 00	93.140	93.010	93.140	+120	31,009
Dec 00	93.060	92.950	93.060	+120	24,550
Est. sales N.A. Mon's. sales 359,066					
Mon's open int 2,196,900 up 3470					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Mar 97	1.6736	1.6620	1.6686	-32	37,492
Jun 97	1.6680	1.6590	1.6648	-32	2,235
Sep 97			1.6608	-32	1,027
Dec 97			1.6568	-32	7
Est. sales N.A. Mon's. sales 12,035					
Mon's open int 40,761 off 2486					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Mar 97	.7455	.7423	.7425	-27	41,012
Jun 97	.7487	.7465	.7466	-26	8,097
Sep 97	.7514	.7505	.7502	-25	3,437
Dec 97			.7536	-24	402
Est. sales N.A. Mon's. sales 4,508					
Mon's open int 52,954 off 225					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Mar 97	.6337	.6284	.6296	-28	68,610
Jun 97	.6371	.6326	.6336	-29	5,232
Sep 97			.6379	-29	1,778
Dec 97			.6423	-29	18
Est. sales N.A. Mon's. sales 21,944					
Mon's open int 75,638 up 824					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Mar 97	.008674	.008620	.008623	-47	68,402
Jun 97	.008774	.008734	.008737	-48	1,937
Sep 97			.008854	-49	354
Est. sales N.A. Mon's. sales 9,230					
Mon's open int 70,790 up 37					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Mar 97	.7358	.7297	.7316	-3	50,283
Jun 97	.7420	.7369	.7385	-3	1,725
Sep 97			.7456	-3	1,988
Est. sales N.A. Mon's. sales 15,479					
Mon's open int 54,017 up 1698					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Feb97	96.91	96.88	96.91	+ 0.02	1,971
Mar97	96.92	96.89	96.91	+ 0.01	224,516
Apr97	96.92	96.90	96.91	Unch.	148
Jun97	96.92	96.89	96.91	+ 0.01	182,266
Sep97	96.83	96.79	96.82	+ 0.02	142,212
Dec97	96.67	96.62	96.66	+ 0.02	136,506
Mar98	96.51	96.42	96.50	+ 0.04	94,686
Jun98	96.29	96.18	96.28	+ 0.04	83,404
Sep98	95.99	95.90	95.98	+ 0.04	68,291
Dec98	95.69	95.60	95.68	+ 0.04	57,868
Mar99	95.41	95.33	95.41	+ 0.04	39,497
Jun99	95.15	95.05	95.15	+ 0.05	21,992
Sep99	94.88	94.80	94.88	+ 0.05	14,733
Dec99	94.61	94.52	94.62	+ 0.05	4,719
Est. sales: 171,481. Prev. sales: 141,363					
Prev. open int.: 1,074,654 up 17,307					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Mar97	93.47	93.44	93.46	- 0.01	93,622
Jun97	93.24	93.20	93.23	Unch.	86,379
Sep97	93.00	92.95	92.98	- 0.01	54,297
Dec97	92.83	92.77	92.81	- 0.01	45,956
Mar98	92.71	92.67	92.71	Unch.	33,676
Jun98	92.63	92.59	92.63	- 0.01	26,424
Sep98	92.57	92.52	92.56	Unch.	18,532
Dec98	92.51	92.47	92.49	Unch.	15,655
Mar99	92.43	92.43	92.46	+ 0.03	7,789
Jun99	92.35	92.32	92.37	+ 0.03	5,495
Sep99	92.31	92.29	92.31	+ 0.03	5,132
Dec99	92.25	92.24	92.29	+ 0.05	2,050
Est. sales: 61,762. Prev. sales: 80,775					
Prev. open int.: 395,027 up 933					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Mar 97	96.83	96.79	96.82	+0.00	82,113
Jun 97	96.86	96.82	96.85	+0.00	43,925
Sep 97	96.81	96.76	96.81	+0.01	29,977
Dec 97	96.72	96.67	96.71	+0.01	22,047
Mar 98	96.58	96.51	96.58	+0.03	15,370
Jun 98	96.36	96.31	96.36	+0.03	12,228
Sep 98	96.11	96.08	96.14	+0.04	10,671
Dec 98	95.89	95.81	95.88	+0.04	8,491
Mar 99	95.59	95.51	95.59	+0.04	11,260
Jun 99	95.27	95.22	95.30	+0.04	5,514
Sep 99	94.99	94.96	95.03	+0.04	2,191
Dec 99	94.71	94.71	94.76	+0.04	991
Est. volume: 54,974. Open int.: 244,778 up 2,850.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Mar97	93.51	93.44	93.47	- 0.04	101,183
Jun97	94.02	93.97	94.01	- 0.02	63,630
Sep97	94.31	94.25	94.30	Unch.	36,605
Dec97	94.40	94.33	94.40	+ 0.03	21,787
Mar98	94.40	94.32	94.40	+ 0.03	13,389
Jun98	94.38	94.29	94.38	+ 0.03	5,194
Est. sales: 41,632. Prev. sales: 43,403					
Prev. open int.: 241,988 up 2,944					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Mar 97	74.35	73.80	73.90	-0.28	23,467
May 97	75.80	75.35	75.46	-0.19	14,984
Jul 97	76.85	76.40	76.40	-0.23	7,498
Oct 97	76.76	76.45	76.45	-0.20	1,357

	High	Low	Close	Chge	Opint
Dec 97	76.80	76.42	76.61	+0.01	9,823
Mar 98	77.50	77.40	77.51	-0.02	456
Est. sales N.A. Mon's. sales 5,705					
Mon's open int 58,239 up 380					
HEATING OIL (NMER) 42,000 gal- cents per gal					
Feb 97	70.05	68.85	69.42	-0.28	39,603
Mar 97	68.50	67.40	67.96	-0.31	21,019
Apr 97	65.55	64.70	64.96	-0.26	10,065
May 97	62.50	61.80	62.01	-0.21	4,659
Jun 97	60.50	60.00	60.06	-0.16	5,906
Jul 97	59.50	59.00	59.11	-0.16	3,519
Aug 97	59.50	59.30	59.16	-0.16	2,954
Sep 97	59.60	59.35	59.46	-0.16	2,889
Oct 97	60.20	59.85	59.76	-0.11	1,809
Nov 97	60.65	60.10	60.01	-0.11	1,225
Est. sales N.A. Mon's. sales 49,159					
Mon's open int 102,185 up 1209					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Feb 97	25.35	24.90	25.09	-0.16	69,142
Mar 97	24.80	24.45	24.60	-0.11	60,499
Apr 97	24.24	23.92	24.08	-0.06	33,551
May 97	23.65	23.40	23.52	-0.03	20,155
Jun 97	23.06	22.80	22.97	+0.01	32,654
Jul 97	22.52	22.38	22.52	+0.09	14,888
Aug 97	22.10	21.89	21.98	+0.02	13,526
Sep 97	21.63	21.55	21.58	+0.05	14,713
Oct 97	21.23	21.13	21.22	+0.09	9,148
Nov 97	20.90	20.75	20.84	+0.07	8,331
Dec 97	20.64	20.45	20.57	+0.10	23,367
Jan 98	20.37	20.27	20.37	+0.16	11,099
Feb 98	20.15	20.08	20.08		7,273
Est. sales N.A. Mon's. sales 121,588					
Mon's open int 275,854 off 104915					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Feb 97	3.450	3.230	3.393	+139	27,334
Mar 97	3.010	2.890	2.996	+136	25,947
Apr 97	2.580	2.450	2.572	+119	12,944
May 97	2.350	2.250	2.335	+82	10,882
Jun 97	2.250	2.200	2.240	+55	8,219
Jul 97	2.210	2.170	2.208	+35	7,552
Aug 97	2.200	2.170	2.190	+30	6,960
Sep 97	2.190	2.165	2.180	+20	6,419
Oct 97	2.180	2.150	2.180	+15	6,978
Nov 97	2.300	2.258	2.285	+10	3,937
Dec 97	2.420	2.400	2.405	+10	7,198
Est. sales N.A. Mon's. sales 34,461					
Mon's open int 156,413 up 1094					
UNLEADED GASOLINE (NMER) 42,000 gal- cents per gal					
Feb 97	68.35	67.00	67.04	-1.05	29,135
Mar 97	68.70	67.60	67.68	-0.93	16,533
Apr 97	70.45	69.70	69.68	-0.87	7,674
May 97	69.80	69.55	69.33	-0.82	5,258
Jun 97	69.20	68.35	68.03	-0.77	4,073
Jul 97	66.90	66.90	66.23	-0.72	1,584
Est. sales N.A. Mon's. sales 32,625					
Mon's open int 64,865 off 1471					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Feb 97	217.00	213.50	213.75	-5.25	27,047
Mar 97	209.00	206.75	207.25	-3.75	11,929
Apl 97	200.75	199.00	199.50	-2.75	8,017
May 97	194.50	193.25	193.25	-3.00	3,915
Jun 97	189.25	188.25	188.50	-1.75	7,373
Jul 97	N.T.	N.T.	186.75	-1.50	2,526
Aug 97	186.25	186.25	186.00	-1.25	1,056
Sept 97	N.T.	N.T.	185.25	-1.00	498
Oct 97	186.25	185.25	184.50	-1.00	997
Nov 97	186.00	184.75	184.00	-0.75	310
Dec 97	185.00	183.50	183.75	-0.25	2,268
Est. sales: 16,812. Open int.: 66,130 up 917					
Stock Indexes					
S&P COMP. INDEX (CMER) 500 x index					
Mar 97	778.20	763.35	776.10	+11.80	185,987
Jun 97	785.50	776.30	785.10	+12.60	8,849
Sep 97	793.00	784.00	791.30	+12.30	1,619
Dec 97	801.00	799.40	799.95	+13.15	636
Est. sales N.A. Mon's. sales 75,168					
Mon's open int 196,291 off 2443					
FTSE 100 (LIFFE) £25 per index point					
Mar97	4169.0	4105.0	4165.0	+ 54.0	59,648
Jun97	N.T	N.T	4187.0	+ 53.0	2,874
Sep97	4167.0	4167.0	4215.0	+ 55.0	1,386
Est. sales: 15,523. Prev. sales: 12,836					
Prev. open int.: 63,908 up 1,178					
CAC 40 (MATIF) FF200 per index point					
Jan 97	2410.0	2361.0	2406.0	+38.50	21,980
Feb 97	2408.0	2368.5	2410.0	+38.00	3,811
Mar 97	2418.0	2374.0	2416.0	+38.50	16,438
Jun 97	2380.0	2345.0	2377.5	+38.50	1,486
Sep 97	2385.5	2352.5	2387.5	+38.50	6,326
Mar 98	2412.5	2383.0	2423.0	+37.00	4,793
Sep 98	N.T.	N.T.	2398.0	+37.00	660
Est. volume: 22,560. Open int.: 56,494 off 539.					

Commodity Indexes

	Close	Previous
Moody's	1,450.00	1,449.60
Reuters	1,900.00	1,898.10
D.J. Futures	149.36	149.22
CRB	242.72	241.40

Spot Commodities

	Today	Prev.
Aluminum, lb	0.719	0.711
Copper electrolytic, lb	1.14	1.13
Iron FOB, ton	167.00	167.00
Lead, lb	0.50	0.50
Silver, troy oz	4.71	4.69
Steel (scrap), ton	109.17	109.17
Tin, lb	3.9495	3.9111
Zinc, lb	0.5281	0.5296

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

EUROPE

Deutsche Telekom Loses Its International Luster

AFX News

FRANKFURT — Shares in Deutsche Telekom AG closed Tuesday below 30 Deutsche marks for the first time, with international investors selling the stock now that the attention surrounding the November share sale has abated.

Deutsche Telekom closed at 29.82 DM ($18.80), down 0.52, on volume of 2.1 million shares. The shares surged after they were issued in November at 28.50 but have now fallen 10 percent from their highs.

"We always urged caution ahead of the flotation of a number of European telecoms companies in the early part of this year," Pierre Drach, an analyst at Independent Research, said. "This caution seems to have been justified by the current slip in the share price."

Analysts said international investors were giving the cold shoulder to the stock because they saw more attractive opportunities in planned flotations of a number of other European operators, such as France Telecom, planned for this year.

"France Telecom will be coming to the market in March or April, and the initial evidence says that valuations are at a discount to the rating for Deutsche Telekom," said Dean Smith, an analyst at G.T. Asset Management in London.

"Those people still holding Deutsche Telekom could switch into France Telecom."

In addition, "with the prospect of bond yields trending higher at the end of the year, the Deutsche Telekom dividend yield is not very attractive," Mr. Smith said.

A less than positive outlook on the telecommunications company from Goldman, Sachs & Co. and Merrill Lynch & Co. has not helped matters, some said. A ban on public comments by institutions involved in the Deutsche Telekom issue expired last week, and the two U.S. investment houses said the stock was likely only to perform in line with the market in the near term.

This stands in contrast to recommendations from a number of German houses, including Deutsche Morgan Grenfell AG, Dresdner Kleinwort Benson AG and Vereins- & Westbank AG, who predicted the stock would outperform the market.

Analysts, however, do not generally expect Deutsche Telekom's stock to fall below its issue price.

"As long as the stock stays above the price the private investors bought it at, they will hold onto it, but if it falls below, we could see a wave of panic selling," Mr. Drach said.

Mr. Smith said. "On an earnings or cash-flow basis it is hard to get a valuation above 30 DM" a share.

One factor weighing on the stock at the moment is Deutsche Telekom's investor relations. Analysts have been unimpressed with the company's decision not to announce 1996 results until May 15.

The company will only give an indication of how the year has gone at the CeBit computer and electronics trade fair in Hannover in March, analysts said.

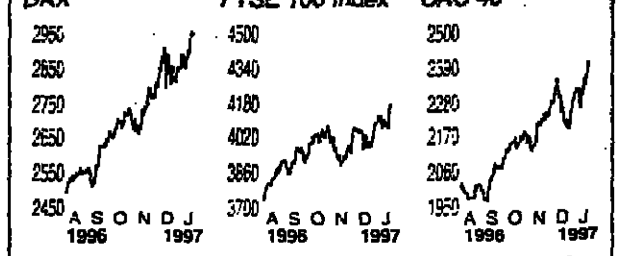
"Between the release of the six-month figures in September and March, we will have had no new figures," Mr. Drach said. "This is not justifiable for such a large company."

The lack of information means the stock will trade around current levels until then unless some significant news emerges, analysts said.

But some German analysts still see a fair value of as much as 36 DM for Deutsche Telekom's shares.

One incentive for private investors to hold onto their shares is that they will incur tax penalties if they sell within six months of the offering.

Investor's Europe



Exchange	Index	Tuesday Close	Prev. Close	% Change
Amsterdam	EOE	657.83	652.76	+0.78
Brussels	BEL-20	1,991.50	1,976.56	+0.76
Frankfurt	DAX	2,948.88	2,954.95	-0.21
Copenhagen	Stock Market	499.36	497.50	+0.37
Helsinki	HEX General	2,698.57	2,668.57	+1.12
Oslo	OBX	561.75	561.38	+0.07
London	FTSE 100	4,168.20	4,107.30	+1.48
Madrid	Stock Exchange	464.12	464.16	-0.01
Milan	MIBTEL	12,080.00	11,676.00	+3.46
Paris	CAC 40	2,402.14	2,361.27	+1.73
Stockholm	SX 16	2,627.26	2,597.81	+1.13
Vienna	ATX	1,163.83	1,167.43	-0.31
Zurich	SPI	2,555.41	2,549.31	+0.24

Source: Telekurs — International Herald Tribune

Car Sales Rose in 1996

Compiled by Our Staff From Dispatches

BRUSSELS — Passenger-car sales in Western Europe rose 6.6 percent in 1996, more than the industry had expected, and South Korean brands made the biggest inroads in the lucrative market, with an increase of 38 percent, an industry report showed Tuesday.

The European Automobile Manufacturers Association said registrations of new passenger cars rose to 12,818,700 last year from 12,026,900 in 1995 in the 15-nation European Union plus Norway and Switzerland. The figures were provisional but were not expected to change much before becoming final.

Overall, more moderate growth is expected in Europe this year even though 1996 ended with a solid upswing. In December, registrations in Western Europe rose 8.5 percent from a year earlier, to 789,300 cars.

Despite the increase, the manufacturers association said it was still not happy with the results.

"If you look at the underlying factors," a spokesman, James Rosenstein, said, "you can't say it's a buoyant market."

The largest European automaker, Volkswagen AG of Germany, pushed ahead of its competitors as it increased its West European market share to 17.2 percent for all of 1996 from 16.8 percent in 1995. Its French and U.S. rivals lost ground.

"Volkswagen will see further growth in volume and market share," said Falk Frey, an auto-industry analyst at Bank Julius Baer in Germany. "They are well positioned to meet demand with new models that are clearly improved with more favorable prices."

Mr. Frey said he expected VW's rival, General Motors Corp., to lose more ground in Europe this year after GM's West European market share fell to 12.5 percent in 1996 from 13.1 percent the year before.

Britain's largest automakers — Ford Motor Co., General Motors and Bayerische Motoren Werke AG's Rover Group Ltd. — lost market share to importers, which grabbed 62 percent of the market, up from 58.9 percent in 1995.

Ford, Rover and GM blamed losses of market share on the ending of discounts to favored customers and reductions in fleet sales.

But 1996 was a successful year for cars from South Korea, whose sales jumped to 248,509, giving them a 1.9 percent share of the Western European market.

It was also a boom year for car sales in Norway, with an increase of 38 percent, and Ireland, which sold 32 percent more cars. Sales were almost flat in Italy, however, with an increase of 0.3 percent.

Volvo AB struggled, selling 5.5 percent fewer passenger cars in 1996 and dropping to a share of 1.6 percent of the market, and PSA Peugeot Citroen SA slipped to an 11.9 percent share of the West European market in 1996 from 12.0 percent in 1995. Renault's share dropped to 10.1 percent from 10.3 percent. *(Bloomberg, AP)*

CLT and Bertelsmann Aim High

Companies Say Media Venture's Profit Will Rise 5% Annually

Compiled by Our Staff From Dispatches

LUXEMBOURG — Compagnie Luxembourgeoise de Telediffusion SA and a unit of Bertelsmann AG formed a television and radio joint venture Tuesday and said they expected the company to post annual increases of at least 5 percent in net profit over the next five years.

The venture, CLT-UFA, will operate 19 television and 23 radio stations in 10 European countries.

Universum Film AG is the television and radio branch of Bertelsmann of Germany. Bertelsmann and the shareholders of Luxembourg-based CLT will each have 50 percent of the new company.

The venture has projected annual revenue of 5 billion Deutsche marks ($3.15 billion), said Remy Sautter, who is co-chief executive officer with Rolf Schmidt-Holtz.

CLT-UFA was created because the cost of buying rights to broadcast programs is rising by about 10 percent a year and greater resources are needed to compete with the large American-based media rivals, Mr. Sautter said.

"We are not afraid of the Americans," he said.

Analysts said the earnings forecast was a positive sign for CLT's owners, including Groupe Bruxelles Lambert SA, a Belgian holding company that indirectly has control of Compagnie Luxembourgeoise pour l'Audio-Visuel & la Finance, or Audiofina, and directly owns Electrafina SA, another holding company.

Executives said the new company planned to consolidate its strong positions in Germany, France, the Netherlands and Belgium. Mr. Sautter said the company would invest its profits from the "first few years" in new projects such as the scheduled March 1997 launch of Channel 5, a nationwide TV station in Britain that will be partly owned by CLT-UFA.

The company also plans to invest 500 million francs ($93.3 million) in France, where it is part of a consortium developing a pay-television service to compete with Canal Plus SA. *(AP, Bloomberg)*

French Pension Plan Draws Naysayers

Bloomberg Business News

PARIS — France's plan to allow private pension funds will fall well short of the government's dual ambition of channeling money into the stock market and stemming the rise in government pension costs, analysts say.

"I would not expect any miracle regarding those new funds," said Patricia d'Ille, a fund manager with Monte Paschi Banque.

Analysts said the new funds, poised for legislative approval, would eventually attract about 30 billion francs ($5.6 billion) a year, a tiny proportion of the 450 billion francs the French invest each year in life insurance contracts.

The government said it was confident the bill would pass after a debate Tuesday evening.

"French households aren't used to the idea of investing money with a view to getting a return in 30 or 40 years' time," said Svenja Nehls, an economist with Deutsche Morgan Grenfell. "There's a cultural problem with private pension plans."

The money invested in new pensions will benefit from tax breaks: Up to 5 percent of gross income invested in the funds will be tax-deductible. Employers' contributions will be free of social-security contributions, up to a certain amount. Trade unions complained, saying tax breaks on private pensions would divert money from the state pension system.

Very briefly:

- **Allianz AG Holding** offered to pay 385 Deutsche marks ($243) for each share outstanding of **Hermes Kreditversicherungs AG**, a loan insurer, as part of an effort to tie up loose ends from the insurance concern's complicated share swap last year.
- **Siemens AG's** KWU Power Generation unit is open to "intensified cooperation" with other power-plant makers, its chief executive, Adolf Huettl, said, but he refused to confirm or deny reports of a joint venture with **Westinghouse Electric Corp.** of the United States.
- **British Airways PLC's** chief executive, Robert Ayling, said he remained confident that BA and **AMR Corp.'s** American Airlines could complete their alliance by the summer despite disagreements with European regulators.
- **France's** finance minister, Jean Arthuis, said the government would take action to make the French banking system more secure and more competitive in 1997.
- ***Industrial investment*** in the European Union will only grow 2 percent this year, after a 3 percent expansion in 1996, a European Commission survey of business and consumer confidence indicated. *Reuters, Bloomberg, AFX, AFP*

German Industry Balks

AFX News

BONN — The Federation of German Industry on Tuesday dismissed Chancellor Helmut Kohl's call for employers to cut overtime in favor of creating jobs, saying that other factors were involved in their decision to hire.

Hans-Olaf Henkel, president of the group, said he did not think that cutting overtime in favor of new jobs was "a big opportunity" to combat joblessness, which, at 4.1 million people, hit a record in December.

The Trib Index

Closing prices

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	151.00	+1.32	+0.88	+14.51
Regional Indexes				
Asia/Pacific	116.84	-0.34	-0.29	-12.97
Europe	161.93	+1.25	+0.78	+16.35
N. America	169.70	+2.30	+1.37	+32.29
S. America	125.71	+3.60	+2.95	+41.18
Industrial Indexes				
Capital goods	177.56	+2.21	+1.26	+33.62
Consumer goods	164.37	+2.53	+1.56	+19.05
Energy	176.83	+1.48	+0.84	+30.39
Finance	113.06	-0.05	-0.04	-11.14
Miscellaneous	162.00	+0.29	+0.18	+19.28
Raw Materials	178.66	+1.12	+0.63	+25.99
Service	138.99	+1.26	+0.91	+15.83
Utilities	145.58	+1.49	+1.03	+14.50

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg Business News.

WORLD STOCK MARKETS

Tuesday, Jan. 14
Prices in local currencies.
Telekurs

Amsterdam
EOE Index: 657.83
Previous: 652.76

	High	Low	Close	Prev.
ABN-AMRO	116.30	112.50	116	112.60
Aegon	112	111.20	111.70	111.50
Ahold	107.40	106.50	107.30	106.80
Akzo Nobel	249.30	246.70	249.20	248.50
Boon Co.	74.20	72.40	73.60	72
Bols Wess cva	31.20	30.70	30.80	31.30
CSM cva	96.40	94.30	95.60	94.50
Dordtsche Pet	331.30	327.40	330.30	329.60
DSM	171.40	170.20	170.40	171.10
Elsevier	27.90	27.40	27.80	27.40
Fortis Amev	64.20	62	64.20	62
Getronics	53.60	51.60	52.90	51.60
G-Broc cva	55.70	54.80	55.50	55.50
Hagemeyer	145.80	143.30	145.30	143.10
Heineken	308.50	304.60	305	308.60
Hoogovens cva	69.40	68.90	69.20	69.10
Hunt Douglas	122.50	118	122.50	120
ING Group	65.50	64.10	65.30	64.40
KLM	48	47.20	47.80	47.70
KNP BT	37.70	37.10	37.10	37.60
KPN	65.10	64.40	64.90	64.80
Nedlloyd Gp	48.20	47.80	48.20	48.10
Nutricia	264	260	260.30	261.40
Oce Grinten	199.70	197.50	198.50	198.50
Philips Elec	74.30	73.20	74	73.80
Polygram	83.20	82.10	82.60	83
Randstad Hdg	137	134.60	137	135
Robeco	147	146	147	145.50
Rodamco	50.70	50.30	50.70	50.40
Rolinco	154	153.30	153.30	152.80
Rorento	107	106.60	106.90	106.60
Royal Dutch	311.30	307.50	310.50	309.70
Unilever cva	309.90	302	308.80	302.50
Vendex Intl	81.20	80.30	80.70	80.70
VNU	38.40	37.10	37.30	38.50
Wolters Kl cva	219.60	216.60	217.90	219.50

Bangkok
SET Index: 807.67
Previous: 822.89

	High	Low	Close	Prev.
Adv Info Svc	260	246	258	270
Bangkok Bk F	250	238	238	246
Krung Thai Bk	52	50	50.50	52.50
PTT Explor	384	382	382	390
Siam Cement F	816	788	812	780
Siam Com Bk F	188	178	183	191
Telecomasia	51	48	50.50	50
Thai Airways	38.75	37.50	37.50	39
Thai Farm Bk F	165	161	161	169
Utd Comm	188	169	170	180

Bombay
Sensex 30 Index: 3492.36
Previous: 3453.16

	High	Low	Close	Prev.
Bajaj Auto	980	950	956.75	974.50
Hindust Lever	889	871	875	882.75
Hindust Petlm	379	352.50	355	365
Ind Dev Bk	109	102	105	106.75
ITC	381	366	381	363
Mahanagar Tel	259	247.50	253.75	256
Reliance Ind	239	222	237.75	222.50
State Bk India	267	252	266.50	253.75
Steel Authority	24.25	23.25	23.75	23.75
Tata Eng Loco	359	347	352	354.50

Brussels
BEL-20 Index: 1991.50
Previous: 1976.56

	High	Low	Close	Prev.
Almanij	10950	10925	10950	10850
Barco Ind	5390	5320	5390	5310
BBL	6880	6830	6870	6810
Bekaert	19600	19350	19350	19525
CBR	3225	3140	3200	3125
CNP	2010	2000	2000	2005
Cobepa	1238	1234	1236	1238
Cockerill	116	115	115	116
Colruyt	14050	13900	13950	14025
Delhaize Lion	2055	2035	2055	2035
Electrabel	7730	7650	7710	7720
Electrafina	3110	3075	3085	3090
Fortis AG	5530	5450	5500	5450
Gevaert	2280	2220	2270	2240
GIB	1505	1490	1505	1500
GBL	4395	4335	4345	4300
Gen Banque	11775	11450	11600	11725
Kredietbank	10800	10650	10700	10650
Petrofina	11275	11050	11200	11225
Powerfin	4750	4725	4730	4750
Royale Belge	7010	6950	7010	7000
Soc Gen Belg	2535	2520	2525	2525
Solvay	22700	21925	22400	21875
Tractebel	14725	14600	14625	14750
UCB	95000	87600	90200	86300
Union Miniere	2130	2120	2125	2135

Copenhagen
Stock Index: 499.36
Previous: 497.50

	High	Low	Close	Prev.
BG Bank	308	292	307	301
Carlsberg B	396	389	392	394
Codan Fors	840	839	840	840
Danisco	367	361	365	363
Den Danske Bk	496	486	496	490
D/S Svendborg B	259000	253500	253482	255000
D/S 1912 B	180000	175000	177000	179000
FLS Ind B	831	790	830	805
Kob Lufthavne	666	659	663.33	660
Nvo Nordisk B	551.38	545	549	545
Sophus Ber B	779.95	773	776.50	773
Tele Danmk B	348	335	338.58	336
Tryg Baltica	391	316	316.53	320
Unidanmark A	346	337	346	337

Frankfurt
DAX: 2948.88
Previous: 2954.95

	High	Low	Close	Prev.
AMB B	980	980	995	995
Adidas	137.10	136	137.10	136.50
Allianz Hdg	2724	2706	2709	2728
Altana	1330	1300	1315	1299
Bk Berlin	31.20	30.70	30.70	31.15
BASF	59.20	58.70	58.85	59.20
Bayer Hypo Bk	47.85	47.72	47.78	47.97
Bay.Vereinsbank	60.85	60.25	60.72	60.75
Bayer	61.58	61.25	61.50	61.30
Beiersdorf	84.90	81	81.50	84.20
BMW	1079	1074	1074	1075
Commerzbank	41.80	41.70	41.78	42.02
Daimler Benz	116.10	114.90	115.95	113.85
Degussa	715	704	704	702.50
Deutsche Bank	75.95	75.55	75.88	76.66
Deut Telekom	30.30	29.82	29.93	30.45
Dresdner Bank	48.98	48.75	48.98	49.10
Fresenius	327	316	316	308
Fresenius Med.	137.50	135.20	135.40	137.25
Fried. Krupp	250	246.50	250	246.50
Gehe	106.50	104	105.80	105.50
Heidelbg Zmt	127.70	126.60	127	127.50
Henkel pfd	83.30	82.50	82.90	84.30
Hochtief	63.50	62.20	63.30	64
Hoechst	70.25	69.85	70.15	70.40
Karstadt	496	494.50	495	500
Linde	1085	1040	1070	1035
Lufthansa	21.65	20.60	21.01	21.85
MAN	414	410.50	411	407.50
Mannesmann	679	674	676.20	686.50
Metallgesellschaft	34.30	33.75	33.90	34
Metro	122	121.50	121.80	122.60
Muench Rueck R	3640	3610	3620	3632
Preussag	389.50	387.50	387.50	388.50
RWE	68.30	67.65	67.65	68.05
SAP pfd	219	216.50	217	220
Schering	138.10	137.30	137.30	136.35
Siemens	77.20	76.55	76.98	77.35
Thyssen	289.80	286.50	287	287
Veba	93.80	93	93	93.10
VEW	496	495	496	495
Viag	662	656	659	663
Volkswagen	715	712.50	714.50	713.50

Helsinki
HEX General Index: 2698.57
Previous: 2668.57

	High	Low	Close	Prev.
Cultor I	248	242	248	241.10
Enso A	40	39.70	39.80	39.50
Huhtamaki I	228	222	228	226
Kemira	57	56.20	56.20	57.20
Kesko	68.30	67.50	68	67.30
Merita A	16.40	15.30	16.30	15.30
Metra B	275	265	272	265
Metsa-Serla B	38	37	38	37
Neste	120	117	120	118.50
Nokia A	302.50	297	302	297.50
Orion-Yhtymae	181	179	179.50	180.50
Outokumpu A	81	80.30	80.60	80.10
Rautaruukki	46.20	44.80	45.60	45.10
Sampo Insur	388	380	385	388
UPM-Kymmene	103.40	101.50	102.50	102
Valmet	81.50	80.40	81	81.50

Hong Kong
Hang Seng: 13293.87
Previous: 13289.21

	High	Low	Close	Prev.
Amoy Props	10.90	10.60	10.70	10.90
Bk East Asia	36.50	35.90	35.90	36.30
Cathay Pacific	12.15	12	12.10	12.10
Cheung Kong	72.75	71.25	72.50	71.75
CK Infrastruct	22.80	21.80	22.55	21.80
China Light	33.90	33.50	33.60	33.70
China Ocean Ld	3.95	3.78	3.90	3.78
China Res Ent	16.90	16.10	16.65	16.10
Chin Estates	8.40	8.30	8.30	8.40
Citic Pacific	40.90	39.90	40.70	40.90
Cons Elec Pwr	N.T.	N.T.	N.T.	18.25
Cosco Pacific	8.70	8.45	8.70	8.50
Dao Heng Bk	40.30	39	40.10	39
First Pacific	10.25	9.90	10.05	9.80
Great Eagle	33.50	33	33	33.10
Guangdong Inv	7.20	6.95	7.10	7.10
Guoco Group	47.20	45.30	46.80	44.90
Hang Lung Dev	16.05	15.90	16	16
Hang Seng Bk	94	92.50	93.25	93
Henderson Inv	8.90	8.70	8.75	8.75
Henderson Ld	72.75	71.50	72.25	72
HKR Int'l	12.35	12.05	12.30	12.25
HK China Gas	14.95	14.75	14.80	14.90
HK Electric	27.30	27.05	27.30	27.30
HK Shang Htls	14.30	14.15	14.15	14.20
HK Telecomm	13.35	12.95	13.05	13.35
Hopewell Hdgs	4.98	4.80	4.83	4.93
HSBC Hdgs	171	168.50	170.50	169.50
Hutchison Wh	58.50	57.25	58	57.25
Hysan Dev	28.70	28.45	28.50	28.85
Johnson El Hdg	21.40	20.65	20.80	21.35
Kerry Props	19.90	19.50	19.70	19.55
Natl Mutual	7.30	7.20	7.30	7.20
New World Dev	50	49.40	50	50
N World Infrastr	22	21.40	21.80	21.40
Oriental Press	3.55	3.48	3.48	3.50
Pearl Oriental	4.93	4.88	4.93	4.90
Shanghai Indus	27.75	27.10	27.50	27.25
Shangri-La Asia	11.60	11.40	11.60	11.45
SHK Props	92	90.25	90.50	90.75
Shun Tak Hdgs	5.30	5.15	5.15	5.25
Sino Land Co.	9.10	8.95	9.05	9.05
Sth China Post	6.45	6.30	6.30	6.45
Swire Pac A	71.75	69.75	69.75	70.50
Tsim Sha Tsui	17.60	17.50	17.60	17.40
TV Broadcasts	32.40	31.90	32	32.30
Wharf Hdgs	37.80	37.50	37.70	37.90
Wheelock	21.35	20.70	20.70	21.35

Jakarta
Composite Index: 656.65
Previous: 656.09

	High	Low	Close	Prev.
Astra Intl	5725	5600	5700	5625
Bk Intl Indon	1775	1725	1725	1775
Bk Negara	1275	1250	1275	1275
Gudang Garm	11600	11525	11600	11550
Indocement	3550	3525	3525	3575
Indofood	4850	4800	4850	4850
Indosat	6675	6650	6650	6625
Sampoerna HM	13200	12900	13000	13150
Semen Gresik	7450	7375	7400	7325
Telekomunikasi	4200	4175	4200	4300

Johannesburg
All Market: 6751.46
Previous: 6758.56

	High	Low	Close	Prev.
Amalgamatd Bks	25.15	24.95	25.05	25
AngloAm Coal	341	341	341	341.25
AngloAm Corp	259.25	257.25	257.50	260
AngloAm Gold	349	347	347	349
AngloAm Ind	166	165	165	167
Barlow	47.25	46.80	47	47
C.G. Smith	23.90	23.60	23.80	23.50
De Beers	134.50	133.50	134	134
Driefontein	46.25	45.75	45.75	46.25
Fst Natl Bk	24	23.60	23.65	23.45
Gencor	18.50	18	18.35	17.95
GFSA	121	119	119	121.75
Iscor	3.75	3.66	3.70	3.75
Liberty Hdgs	323.25	323	323	323.25
Liberty Life	120.25	119.75	120	120.25
Minorco	105	102.75	103	102
Nampak	19.40	19.30	19.30	19.50
Nedcor	66.75	66	66.75	66.25
Rembrandt Gp	42.70	42.20	42.25	42.75
Richemont	66	65	66	65.50
Rust Platinum	64	63.25	63.50	64
SA Breweries	123.50	123	123.50	123.50
Samancor	52	51.50	51.75	52
Sasol	56.25	56	56.25	56.25
SBIC	184	184	184	185
Tiger Oats	66.75	66	66.75	66.75

Kuala Lumpur
Composite: 1211.84
Previous: 1228.38

	High	Low	Close	Prev.
Genting	17.20	17	17	17.20
Mal Banking	26	25.50	26	26
Mal Intl Ship F	7.15	7.05	7.05	7.15
Petronas Gas	10.10	9.95	9.95	10.10
Proton	4.60	4.50	4.52	4.60
Resorts World	12.40	11.90	12.20	12.10
Sime Darby	10.70	9.75	9.75	10
Telekom Mal	20.90	20.80	20.90	20.90
Tenaga	12.30	12.10	12.20	12.10
Utd Engineers	23.60	22.90	23.10	23.80

London
FT-SE 100: 4168.20
Previous: 4107.30

	High	Low	Close	Prev.
Abbey Natl	8.03	7.72	8.01	7.73
Allied Domecq	4.27	4.20	4.24	4.23
Anglian Water	6.28	6.05	6.20	6.07
Argos	6.17	6	6.11	6.06
Asda Group	1.30	1.24	1.29	1.25
Assoc Br Foods	4.81	4.73	4.80	4.71
BAA	5.05	4.92	5.03	4.82
Barclays	11.12	10.80	11.11	10.80
Bass	8.48	8.34	8.45	8.29
BAT Ind	4.95	4.72	4.94	4.68
Bank Scotland	3.26	3.08	3.24	3.08
Blue Circle	3.78	3.65	3.76	3.66
BOC Group	8.85	8.70	8.84	8.62
Boots	6.38	6.24	6.36	6.25
BPB Ind	3.77	3.70	3.72	3.70
Brit Aerosp	12.70	12.58	12.62	12.66
Brit Airways	6.06	5.94	6.04	6.01
Brit Gas	2.22	2.16	2.21	2.20
Brit Land	5.46	5.36	5.44	5.37
Brit Petm	7.20	7.03	7.14	7.18
BSkyB	5.30	5.25	5.29	5.32
Brit Steel	1.53	1.46	1.47	1.53
Brit Telecom	4.22	4.05	4.15	4.02
BTR	2.64	2.41	2.50	2.51
Burmah Castrol	10.95	10.85	10.88	10.88
Burton Gp	1.56	1.52	1.55	1.52
Cable Wireless	5	4.66	4.72	4.66
Cadbury Schw	4.93	4.79	4.92	4.87
Carlton Comm	5.13	5.06	5.09	5.13
Comml Union	7.17	6.87	7.14	6.97
Compass Gp	6.32	6.24	6.27	6.23
Courtaulds	3.84	3.70	3.77	3.83
Dixons	5.23	5	5.22	4.99
Electrocomponents	4.53	4.47	4.52	4.51
EMI Group	12.90	12.72	12.75	12.91
Enterprise Oil	6.42	6.23	6.41	6.36
Fam Colonial	1.51	1.49	1.51	1.49
Gen'l Accident	7.97	7.83	7.96	7.85
GEC	4.13	4.02	4.13	4.04
GKN	9.85	9.65	9.69	9.89
Glaxo Wellcome	9.35	9.06	9.34	9.09
Granada Gp	8.62	8.50	8.60	8.54
Grand Met	4.40	4.30	4.35	4.35
GRE	2.77	2.68	2.76	2.73
Greenalls Gp	5.65	5.58	5.60	5.60
Guinness	4.40	4.34	4.36	4.40
GUS	6.01	5.90	6.01	5.96
Hanson	0.87	0.85	0.86	0.85
Hays	5.54	5.46	5.53	5.50
HSBC Hldgs	13.49	13.15	13.48	13.12
ICI	7.52	7.40	7.50	7.44
Impl Tobacco	3.92	3.83	3.90	3.85
Kingfisher	6.73	6.46	6.70	6.48
Ladbroke	2.39	2.32	2.38	2.33
Land Sec	7.90	7.82	7.88	7.83
Lasmo	2.50	2.42	2.48	2.48
Legal Genl Grp	3.96	3.90	3.94	3.93
Lloyds TSB Gp	4.87	4.65	4.80	4.57
LucasVarity	2.21	2.17	2.19	2.19
Marks Spencer	4.79	4.72	4.78	4.73
MEPC	4.91	4.64	4.73	4.68
Mercury Asset	12.60	12.20	12.58	12.21
National Grid	2.08	2.02	2.07	2.02
Natl Power	5.03	4.85	5.01	4.91
NatWest	7.85	7.35	7.83	7.59
Next	5.56	5.41	5.56	5.40
Orange	1.90	1.87	1.89	1.87
P&O	6.45	6.30	6.43	6.36
Pearson	7.60	7.53	7.55	7.56
Pilkington	1.49	1.43	1.47	1.43
PowerGen	6.17	5.95	6.16	6
Premier Farnell	7.02	6.96	7	6.96
Prudential	5.38	5.13	5.37	5.09
Railtrack PP	4.05	3.90	4.02	3.94
Rank Group	4.36	4.12	4.34	4.16
Reckitt Colm	7.05	6.95	7	7.04
Redland	3.34	3.26	3.30	3.30
Reed Intl	10.42	10.18	10.40	10.21
Rentokil Initial	4.42	4.35	4.41	4.35
Reuters Hdgs	7.50	6.78	6.84	6.93
Rexam	3.51	3.45	3.48	3.47
RMC Group	9.05	8.75	9.05	8.89
Rolls Royce	2.45	2.39	2.41	2.45
Royal Bk Scot	5.85	5.68	5.83	5.64
RTZ reg	9.22	9.03	9.20	9.10
Royal & Sun All	4.55	4.40	4.54	4.42
Safeway	4.30	4.15	4.27	4.15
Sainsbury	4.02	3.89	4.02	3.90
Schroders	16.05	15.76	16	15.80
Scot Newcastle	6.54	6.44	6.52	6.44
Scot Power	3.52	3.48	3.51	3.51
Securicor	2.80	2.74	2.77	2.75
Severn Trent	7.12	6.97	6.97	6.88
Shell Transp R	10.75	10.15	10.32	10.23
Siebe	10.25	10.06	10.11	10.20
Smith Nephew	1.77	1.75	1.76	1.76
SmithKline	7.97	7.81	7.92	7.87
Smiths Ind	7.90	7.75	7.77	7.89
Sthern Elec	7.93	7.85	7.89	7.84
Stagecoach	7.35	7.28	7.33	7.33
Stand Charter	7.15	6.92	7.12	6.97
Tate & Lyle	4.87	4.65	4.67	4.71
Tesco	3.68	3.54	3.67	3.54
Thames Water	6.36	6.02	6.06	5.98
3i Group	4.99	4.93	4.95	4.98
TI Group	5.57	5.50	5.55	5.52
Tomkins	2.75	2.67	2.69	2.72
Unilever	14.04	13.66	14.01	13.71
Utd Assurance	5.20	5.03	5.18	5
Utd News	6.75	6.63	6.69	6.73
Utd Utilities	6.96	6.52	6.62	6.53
Vendome Lx uts	5.12	5.08	5.10	5.13
Vodafone	2.61	2.53	2.61	2.54
Whitbread	7.65	7.39	7.64	7.37
Williams Hdgs	3.30	3.20	3.22	3.33
Wolseley	4.67	4.56	4.60	4.63
WPP Group	2.42	2.38	2.41	2.41
Zeneca	16.27	16	16.24	16.10

Madrid
Bolsa Index: 464.12
Previous: 464.16

	High	Low	Close	Prev.
Acerinox	18300	17970	18160	18340
ACESA	1805	1775	1790	1795
Aguas Barcelon	5780	5600	5740	5670
Argentaria	5800	5720	5760	5800
BBV	7330	7190	7190	7320
Banesto	1145	1105	1110	1130
Bankinter	19780	19510	19510	19800
Bco Centro Hisp	3560	3525	3530	3560
Bco Exterior	2755	2755	2755	2760
Bco Popular	26850	26000	26300	26790
Bco Santander	8460	8390	8440	8430
CEPSA	4270	4225	4250	4270
Continente	2670	2625	2630	2670
Corp Mapfre	7950	7800	7890	7950
Endesa	10250	9980	10150	10070
FECSA	1300	1260	1280	1275
Gas Natural	33000	31810	32500	32310
Iberdrola	1735	1700	1710	1710
Pryca	2580	2545	2560	2570
Repsol	5760	5620	5710	5670
Sevillana Elec	1370	1315	1340	1335
Tabacalera	6050	5970	5980	6040
Telefonica	3330	3260	3290	3275
Union Fenosa	1255	1220	1245	1235
Valenc Cement	1450	1425	1430	1440

Manila
PSE Index: 3261.72
Previous: 3270.31

	High	Low	Close	Prev.
Ayala B	30.50	29.50	30.50	30.50
Ayala Land	30	29.50	30	30
Bk Philip Isl	172	168	170	168
C&P Homes	14.50	14	14.25	14
Manila Elec A	129	127	128	129
Metro Bank	680	670	675	680
Petron	9.70	9.50	9.60	9.60
PCIBank	340	335	340	340
Phil Long Dist	1515	1490	1505	1515
San Miguel B	115	113	114	114
SM Prime Hdg	7.10	7	7	7.10

Mexico
Bolsa Index: 3631.36
Previous: 3561.55

	High	Low	Close	Prev.
Alfa A	40.15	39.25	40.00	39.15
Banacci B	17.32	16.78	17.16	16.78
Cemex CPO	31.70	31.15	31.45	31.05
Cifra C	10.12	9.92	10.08	9.86
Emp Modema	41.80	41.30	41.50	41.50
Gpo Carso A1	48.10	46.50	48.10	46.40
Gpo Fin Inbursa	30.05	29.00	29.95	28.95
Kimb Clark Mex	169.30	164.30	169.00	163.20
Televisa CPO	106.00	103.00	104.80	102.80
TelMex L	14.74	14.38	14.70	14.48

Milan
MIB Telematico: 12080.00
Previous: 11676.00

	High	Low	Close	Prev.
Alleanza Assic	12480	11510	12480	11800
Bca Comm Ital	3350	3040	3330	3105
Bca Fideuram	4300	3965	4300	3980
Bca di Roma	1315	1246	1315	1278
Benetton	21300	20100	21250	20900
Credito Italiano	2020	1868	2016	1900
Edison	10830	10070	10710	10380
ENI	9150	8815	9105	8950
Fiat	5225	4900	5195	4995
Generali Assic	32250	31200	32150	31550
IMI	15790	14550	15735	14830
INA	2145	2055	2130	2085
Italgas	7450	6940	7400	7050
Mediaset	7700	7350	7700	7415
Mediobanca	10460	9460	10400	9600
Montedison	1288	1204	1274	1224
Parmalat	2600	2490	2600	2535
Pirelli	3230	3160	3210	3120
RAS	15300	14510	15280	14800
Rolo Banca	15330	14905	15330	14995
S Paolo Torino	10800	9755	10800	9970
Stet	7670	7055	7550	7150
Telecom Italia	4740	4445	4700	4450
TIM	4360	4120	4310	4220

Montreal
Industrials Index: 2934.42
Previous: 2910.77

	High	Low	Close	Prev.
Bce Mob Com	43	42.85	42.85	43
Cdn Tire A	22¼	21½	22¼	21.20
Cdn Util A	31.10	30.80	31	30.90
CT Finl Svc	32.15	32.05	32.05	32.45
Gaz Metro	17.60	17.35	17.35	17.60
Gt-West Lifeco	21.15	21.15	21.15	21.15
Hees Intl Bcp	20¾	20.60	20¾	20¾
Imasco	35	34.35	34.85	34.30
Investors Grp	26.70	26.60	26.60	26.70
Loblaw Cos	15.20	15.10	15.20	15.35
Natl Bk Canada	13½	13.35	13.35	13.35
Power Corp	27.40	27¼	27.40	27.40
Power Finl	25	24.95	25	25
Quebecor B	25	24.45	25	24½
Rogers Comm B	10.40	10.30	10.35	10.40
Royal Bk Cda	49.60	49	49.10	49

Oslo
OBX Index: 561.75
Previous: 561.38

	High	Low	Close	Prev.
Aker A	153	148	153	148
Bergesen Dy A	148	145	148	149
Christiania Bk	22.70	22.30	22.60	22.90
Den norske Bk	26.30	25.90	26.10	26.40
Elkem	106	104	106	105.50
Hafslund A	48	47.50	48	48.20
Kvaerner Asa	316	310	316	315
Norsk Hydro	369	358	361.50	359
Norske Skog A	200	193	200	196
Nycomed A	103	99.50	102.50	102.50
Orkla Asa A	478	467	478	477
Petm GeoSvc	271	268.50	268.50	272
Saga Petm A	126	123	126	126.50
Schibsted	132	129	131	132
Transocean Off	440	435	439	433
Storebrand Asa	36.80	36.30	36.50	36.80

Paris
CAC-40: 2402.14
Previous: 2361.27

	High	Low	Close	Prev.
Accor	654	646	647	656
AGF	171.50	167	170.60	165
Air Liquide	852	837	852	843
Alcatel Alsth	437.60	430	437.60	430
Axa	353	348.80	349.50	353.70
Bancaire	655	616	646	618
BIC	802	793	795	800
BNP	201	197.30	200.70	199.30
Canal Plus	1120	1096	1106	1102
Carrefour	3450	3340	3450	3367
Casino	240.90	238	238.90	240.20
CCF	240.50	235.50	239.50	236.30
Cetelem	648	624	645	624
Christian Dior	867	849	864	850
CLF-Dexia Fran	495	476.10	493.50	475.40
Credit Agricole	1258	1258	1258	1265
Danone	785	766	783	774
Elf-Aquitaine	509	491.20	507	495.70
Eridania BS	838	827	831	837
Eurotunnel	7	6.80	6.90	6.90
Gen. Eaux	715	697	711	702
Havas	396	373.20	393	373
Imetal	806	785	799	788
Lafarge	323.90	318	321.10	320
Legrand	922	892	912	915
L'Oreal	1988	1921	1978	1947
LVMH	1485	1425	1469	1430
Lyon. Eaux	510	497.10	509	498.60
Michelin B	290.40	287.20	289	289.50
Paribas A	365.80	359.80	363.10	361.70
Pernod Ricard	308	301.10	308	306.80
Peugeot Cit	547	535	547	542
Pinault-Print	2146	2125	2128	2124
Promodes	1510	1480	1493	1491
Renault	116.90	111.90	116.30	113
Rexel	1673	1632	1664	1627
Rh-Poulenc A	177.50	167.10	176.30	166.60
Roussel-Uclaf	1528	1527	1527	1527
Sanofi	559	542	558	553
Schneider	258.60	252.90	258.30	253
SEB	1135	1106	1134	1154
SGS Thomson	394	377.50	393	377
Ste Generale	557	541	551	543
Sodexho	2845	2771	2833	2790
St Gobain	795	783	792	785
Suez	220	217.50	219.50	218
Synthelabo	565	536	552	553
Thomson CSF	172.40	167.80	172	168
Total B	445	425	444.60	424.30
UAP	139.90	138.80	138.80	139.40
Usinor	78.55	77.55	78.40	78.80
Valeo	361.50	344.20	360	344.60

São Paulo
Bovespa Index: 76211.40
Previous: 74117.50

	High	Low	Close	Prev.
Bradesco Pfd	8.29	8.20	8.28	8.20
Brahma Pfd	635.00	589.00	624.90	590.00
Cemig Pfd	42.50	40.50	42.50	40.40
CESP Pfd	52.20	50.00	52.20	50.00
Copel	13.30	12.60	12.90	12.89
Eletrobras	390.00	378.00	387.00	377.00
Itaubanco Pfd	438.00	432.00	433.00	439.50
Light Servicios	345.01	336.99	336.99	348.00
Lightpar	290.00	278.90	288.00	279.99
Petrobras Pfd	188.50	177.00	187.50	177.00
Telebras Pfd	88.00	85.30	87.50	85.10
Telemig	144.00	141.50	144.00	142.00
Telerj	156.17	151.00	156.17	151.00
Telesp Pfd	246.00	235.00	242.00	238.00
Unibanco	33.20	32.10	33.00	33.49
CVRD Pfd	23.00	22.30	23.00	22.10

Seoul
Composite Index: 686.59
Previous: 659.54

	High	Low	Close	Prev.
Dacom	99600	90000	99000	93000
Daewoo Heavy	5450	5120	5310	5200
Kia Motors	16600	15600	16100	15800
Korea El Pwr	28000	27100	28000	27200
Korea Exch Bk	9600	9250	9410	9400
Korea Mob Tel	496500	460000	496500	460000
LG Semicon	20500	19000	19300	19000
Pohang Iron St	43400	40600	43400	40200
Samsung Elec	47500	44000	47500	44000
Shinhan Bank	12000	11500	11900	11500

Singapore
Straits Times: 2215.52
Previous: 2232.40

	High	Low	Close	Prev.
Cerebos Pac	11	10.70	10.80	11.20
City Devlts	12.50	12.30	12.30	12.50
Cycle Carriage	16.60	16.30	16.40	16.30
Dairy Farm Int*	0.81	0.81	0.81	0.81
DBS	9.85	9	9	9.05
DBS Land	5.30	5.15	5.20	5.30
Fraser & Neave	14	13.80	13.80	14.70
HK Land*	2.95	2.86	2.93	2.86
Hong Leong Fin	3.28	3.28	3.28	3.28
Jard Matheson*	6.45	6.35	6.35	6.45
Jard Strategic*	3.68	3.66	3.68	3.66
Keppel	11	10.90	10.90	10.90
Natsteel	3.32	3.30	3.32	3.32
Neptune Orient	1.21	1.19	1.20	1.19
OCBC foreign	18	17.70	17.80	18
O'Sea Union Bk	6.35	6.30	6.35	6.30
Sembawang	8	7.95	7.95	8
Sing Airlines F	13.20	13	13.10	13
Sing Petm	1.76	1.76	1.76	1.74
Sing Press F	27.60	26.80	27.50	27
ST Auto F	3.32	3.20	3.20	3.30
ST Ship	1.88	1.85	1.85	1.88
Sing Telecomm	3.20	3.16	3.18	3.20
Straits Steam	4.48	4.42	4.48	4.50
Utd Industrial	1.21	1.19	1.19	1.19
Utd O'Sea Bk F	16.40	16	16	16.50
Wing Tai Hdgs	4.20	4.12	4.16	4.20

*: in U.S. dollars.

Stockholm
SX 16 Index: 2627.26
Previous: 2597.81

	High	Low	Close	Prev.
AGA BF	107	105.50	106.50	106.50
ABB AF	786	781	785	783
AssiDoman F	189	180	188	189
Astra AF	334.50	326	331.50	333.50
Atlas Copco AF	172	169.50	171.50	171
Avesta F	78	77	78	77.50
Electrolux BF	423.50	415	420.50	417
Ericsson BF	238	228	235.50	229
Hennes BF	1143	1060	1135	1065
Incentive AF	510	497	503	512
Investor BF	318	309.50	317	310
Kinnevik BF	198	195	197.50	195.50
MoDo BF	204.50	201.50	204	201.50
Pharm/Upjohn	280	276	278.50	277
Sandvik BF	188	183.50	186	188
SCA BF	148	145	148	145
S-E Banken AF	69.50	68	69	68.50
Skandia Fors F	188	184	187.50	186
Skanska BF	309	302	307.50	306.50
SKF BF	158	156	158	158
SSAB BF	124.50	122	124	122
Stora AF	98	95	96.50	96.50
Sv Handles AF	191	188.50	189	189.50
Sydkraft AF	154	145	154	153
Trelleborg BF	113	111	112	112
Volvo BF	165.50	160.50	165	159

Sydney
All Ordinaries: 2419.40
Previous: 2422.30

	High	Low	Close	Prev.
Amcor	8.05	8.02	8.05	8.02
ANZ Bkng	7.96	7.92	7.93	7.95
BHP	18.45	18.26	18.26	18.31
Boral	3.48	3.41	3.45	3.48
Brambles Ind.	23.10	23	23.05	23.10
Burns Philp	2.50	2.39	2.49	2.41
CBA	12.17	12.13	12.13	12.14
CC Amatil	13.40	13.30	13.38	13.38
Coles Myer	5.05	5	5.05	5.04
Comalco	6.74	6.70	6.70	6.68
CRA Ltd	19.32	19.20	19.35	19.30
CSR	4.45	4.42	4.43	4.44
Fosters Brew	2.68	2.64	2.65	2.65
GIO Australia	3.23	3.20	3.22	3.22
Goodman Fld	1.61	1.60	1.60	1.60
ICI Australia	13.01	12.85	13.01	13
John Fairfax	2.79	2.75	2.75	2.79
Lend Lease	24.60	24.09	24.54	24.09
Mayne Nickiss	7.94	7.83	7.85	7.94
MIM Hdgs	1.87	1.82	1.84	1.82
Nat Aust Bank	14.65	14.43	14.43	14.54
News Corp	6.83	6.76	6.78	6.74
North Ltd	3.80	3.74	3.79	3.74
Pacific Dunlop	3.11	3.05	3.05	3.10
Pioneer Intl	3.73	3.65	3.73	3.64
Placer Pacific	1.80	1.79	1.79	1.82
Santos	5.11	4.99	5.02	5.11
Southcorp	4.15	4.07	4.10	4.07
Wesfarmers	9.10	8.95	9.06	8.94
Wstrn Mining	8.21	8.08	8.14	8.22
Westfield Trt	2.37	2.34	2.34	2.35
Westpac Bking	7.24	7.19	7.20	7.23
Woodside Pet	9.71	9.40	9.45	9.72
Woolworths	3.11	3.08	3.09	3.09

Taipei
Stock Market Index: 7137.76
Previous: 7189.47

	High	Low	Close	Prev.
Asia Cement	51.50	50.50	51	50.50
Cathay Life Ins	178	176	176	177
Chang Hwa Bk	173	167	167	172
China Steel	26.20	25.80	25.80	25.70
China Trust	53	52	52.50	52.50
Evergreen	55	53.50	53.50	54
Far East Text	32.10	30.50	31.10	30
First Bank	182	175	175	180
Formosa CF	43.20	42.50	42.50	42.60
Hua Nan Bk	150	145	145	148
Hualon Teljran	24.90	24.30	24.50	24.50
ICBC	84.50	83.50	83.50	84
President Ent	45.80	45	45.50	44.60
Taiwan Cem	61	59.50	59.50	60
Tatung	53.50	53	53.50	53.50

Tokyo
Nikkei 225: 18093.13
Previous: 18118.79

	High	Low	Close	Prev.
Ajinomoto	1110	1020	1090	1040
All Nippon Air	778	750	767	805
Asahi Bank	880	850	880	894
Asahi Chem	629	575	629	606
Asahi Glass	1050	1010	1040	1030
Bk Tokyo Mitsu	1950	1870	1940	1970
Bk Yokohama	659	635	659	659
Bridgestone	2080	1980	2070	2050
Canon	2390	2290	2370	2330
Chiba Bank	745	710	745	730
Chubu Elec	2260	2200	2260	2240
Chugoku Elec	2230	2170	2210	2200
Daiei	818	796	818	816
Daiichi Kang	1420	1340	1400	1440
Daiwa Bank	541	515	531	551
Daiwa House	1400	1350	1400	1390
Daiwa Sec	994	963	994	995
Denso	2530	2400	2510	2540
Fanuc	3540	3320	3520	3500
Fuji Bank	1550	1440	1530	1550
Fuji Photo	3640	3450	3630	3640
Fujitsu	1100	1070	1090	1090
Hitachi	1060	1030	1060	1060
Honda Motor	3210	3100	3170	3080
IBJ	1810	1710	1800	1830
IHI	463	432	455	459
Itochu	560	535	555	541
Ito-Yokado	5490	5350	5440	5500
JAL	539	522	535	550
Jusco	3850	3550	3850	3600
Kajima	735	690	730	731
Kansai Elec	2310	2210	2310	2290
Kao	1290	1270	1290	1290
Kawa Steel	295	286	295	297
KDD	7450	7220	7450	7460
Kinki Nipp Ry	720	701	719	713
Kirin Brewery	1040	1000	1030	1100
Kobe Steel	230	213	229	230
Komatsu	859	835	858	890
Kubota	540	525	527	535
Kyocera	7290	7140	7270	7310
Kyushu Elec	2240	2170	2230	2240
LTCB	545	520	545	549
Marubeni	455	430	454	451
Marui	1800	1750	1780	1820
Matsu Elec Ind	1760	1700	1750	1790
Matsu Elec Wk	1050	997	1020	987
Mitsubishi	1070	1040	1070	1060
Mitsubishi Ch	352	330	352	350
Mitsubishi El	678	656	668	672
Mitsubishi Est	1230	1110	1220	1160
Mitsubishi Hvy	880	841	875	859
Mitsubishi Mat	874	845	874	870
Mitsubishi Tr	1410	1330	1410	1420
Mitsui	880	850	880	880
Mitsui Fudosn	1100	1050	1100	1080
Mitsui Trust	792	742	791	792
Murata Mfg	3790	3700	3780	3760
NEC	1380	1350	1380	1400
Nikko Sec	800	774	792	820
Nintendo	8090	7940	8070	8100
Nipp Credit Bk	259	244	250	259
Nipp Express	736	717	734	735
Nippon Oil	570	552	558	555
Nippon Paper	553	512	549	528
Nippon Steel	303	293	303	301
Nippon Yusen	511	484	509	490
Nissan Motor	682	652	672	683
NKK	250	229	250	245
Nomura Sec	1570	1520	1570	1590
NTT	8540a	8340a	8410a	8500a
Obayashi	733	691	718	739
Odakyu El Ry	664	646	664	668
Ono Pharm	3200	3090	3100	3200
Osaka Gas	305	294	303	296
Ricoh	1290	1230	1270	1260
Sakura Bk	744	690	732	740
Sankyo	3050	2980	3040	3090
Sanwa Bank	1540	1440	1530	1560
Sanyo Elec	464	435	459	445
Secom	6500	6400	6500	6400
Seibu Rwy	4050	3800	4010	3750
Sekisui House	1130	1090	1120	1130
Seven-Eleven	6670	6550	6590	6650
Sharp	1550	1480	1540	1560
Shimizu	777	736	763	777
Shin-etsu Ch	2060	2030	2060	2060
Shizuoka Bk	1100	1060	1090	1100
Sony	7480	7290	7470	7360
Sumitomo	940	900	940	922
Sumitomo Bk	1550	1430	1550	1530
Sumit Chem	443	410	430	410
Sumitomo Elec	1600	1580	1600	1600
Sumit Metal	259	240	259	259
Sumit Trust	979	935	961	999
Taisei	550	526	549	537
Taisho Pharm	2730	2520	2730	2610
Takeda Chem	2290	2170	2270	2240
TDK	7330	7070	7330	7200
Tohoku El Pwr	2230	2150	2220	2180
Tokai Bank	1020	979	1000	1000
Tokio Marine	1030	1000	1030	1040
Tokyo El Pwr	2450	2350	2450	2430
Tokyo Gas	303	294	300	305
Tokyu	599	560	583	565
Tonen	1290	1200	1270	1240
Toppan Print	1380	1280	1350	1350
Toray Ind	710	654	706	665
Toshiba	708	690	708	703
Toyo Seikan	2650	2440	2580	2550
Toyo Trust	825	780	825	825
Toyota Motor	3240	3040	3240	3110
Yamaichi Sec	489	475	485	494
Yamanouchi	2250	2200	2250	2230
Yasuda Fire	555	533	540	549
Yasuda Trust	417	395	416	412

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Toronto
TSE Industrials: 6054.86
Previous: 6001.48

	High	Low	Close	Prev.
Abitibi Price	23.60	23.20	23½	23.15
Alberta Energy	32.30	32.15	32¼	32¼
Alcan Alum	48.90	48.45	48.70	48.45
Anderson Expl	18	17.80	17.90	17.90
Bk Montreal	43¾	43.20	43.55	43.10
Bk Nova Scotia	45¾	45.20	45.40	45.10
Barrick Gold	36.05	35¼	35.45	36.40
BCE	68¼	66.40	67.95	66.20
BC Telecomm	30	29½	29½	29.60
Biochem Pharm	73.80	73	73.80	67¾
Bombardier B	24.60	24.45	24.55	24.40
Brascan A	31.90	30.40	31.90	30.40
Bre-X Minerals	24	22.60	23.20	21.45
Cameco	58.80	57¼	58.70	57.15
CIBC	58¼	57.45	57.85	57.20
Cdn Natl Rail	52½	50.80	52½	50.80
Cdn Nat Res	38.40	37½	38.40	38.15
Cdn Occid Pet	24.40	23.95	24.30	24.15
Cdn Pacific	36.95	35.95	36¾	35.95
Cominco	36¼	35	35.90	35
Dofasco	25.90	25.40	25½	25¼
Domtar	12¼	12.60	12¼	12.60
Donohue A	27.40	26.30	26.90	26.30
Du Pont Cda A	31	30¼	31	31
EuroNev Mng	37	36½	36.45	37.35
Fairfax Finl	300	296	298	299
Falconbridge	30¼	29.80	30.15	29.90
Fletcher Chall A	22.40	22.20	22.30	22.20
Franco Nevada	57.95	57	57.80	57.90
Gulf Cda Res	11.85	11.55	11.85	11.55
Imperial Oil	63.95	62¼	63.90	63.80
Inco	47.35	45.80	46¼	45.70
IPL Energy	40½	40.10	40.30	40½
Laidlaw B	17.85	17.65	17¾	17.45
Loewen Group	50.20	49.90	50	50
Macmill Bldl	18.90	18.60	18.90	18.60
Magna Intl A	76.80	75½	76.45	75.40
Methanex	13.55	13.45	13.45	13½
Moore	28.30	27.60	27.60	27.60
Newbridge Net	46.60	44.30	46.10	45.10
Noranda Inc	32.85	31.90	32.65	31.90
Norcen Energy	31.90	31½	31.70	31.40
Nthern Telecom	95¼	94½	95.30	94¾
Nova	13	12.90	12.90	12.95
Onex	23.05	22.95	22.95	23
Pancan Petlm	52.80	52.35	52.80	52¼
Petro Cda	21.40	21¼	21.35	21¼
Placer Dome	28.95	27.85	28.10	29
Poco Petlm	14.05	13¾	13.95	13.80
Potash Sask	119¼	117½	119¼	119.05
Renaissance	49.35	48½	49.15	49.10
Rio Algom	34.15	33.90	33.90	34.05
Rogers Cantel B	28¼	27½	28¼	27.90
Seagram Co	56.60	54.40	55.65	53.85
Shell Cda A	53¼	52.90	53	53
Stone Consold	21.90	21.60	21.60	21.80
Suncor	59.90	58½	59	59.60
Talisman Eny	48½	47.45	48	48
Teck B	30.35	30	30.15	30.05
Teleglobe	39.90	39½	39.90	39.55
Telus	19.90	19¼	19.40	19.95
Thomson	29½	29.10	29.40	29.15
TorDom Bank	35.45	34.85	35¼	34.85
Transalta	17	16.80	16.80	16.85
TransCda Pipe	23.85	23.45	23.85	23.45
Trimark Finl	42¼	42.40	42.60	42.30
Trizec Hahn	30.40	30.10	30.40	30¼
TVX Gold	10.10	9¾	9.95	10
Westcoast Eny	23.60	23.15	23.60	23¼
Weston	74	72.10	73¾	72

Vienna
ATX Index: 1163.83
Previous: 1167.43

	High	Low	Close	Prev.
Aust Airlines	1681	1681	1640	1640
Brau-Un Goess	693	680.50	690	688
Bund Vers Pfd	414	414	490	490
Creditanst Pfd	493.50	480	481.90	496
EA-Generali	3220	3180	3210	3165
EVN	1694	1675	1697	1690
Interunfall	N.T.	N.T.	N.T.	1475
Lenzing	673.50	664	673.50	666
Leykam	275	271	274	274.50
Mayr-Melnhof	592	581	590	593
OMV	1297.50	1275.10	1287	1304.95
Oest Brau	806	782	795	784
Oest Elektriz	818	815.10	816	819.50
VA Tech	1765.90	1740	1745	1753.95
Wienerberger	2093	2079	2079	2084

Wellington
NZSE-40 Index: 2406.21
Previous: 2481.99

	High	Low	Close	Prev.
Air N Zeald B	2.90	2.84	2.84	2.84
Brierly Invt	1.35	1.33	1.35	1.33
Carter Holt ord	3.32	3.30	3.30	3.30
Fernz	5.00	4.99	5.00	5.00
Fisher Paykel	5.75	5.66	5.68	5.75
FC Forest	2.35	2.33	2.34	2.34
Goodman Fder	1.78	1.77	1.77	1.78
Indep News	6.90	6.85	6.85	6.95
Lion Nathan	3.56	3.55	3.55	3.55
Nat Gas note	2.29	2.27	2.28	2.27
NZ Refining	N.T.	N.T.	N.T.	29.00
Telecom NZ	7.44	7.40	7.43	7.43
Wilson Horton	11.55	11.40	11.40	11.55

Zurich
SPI Index: 2555.41
Previous: 2549.31

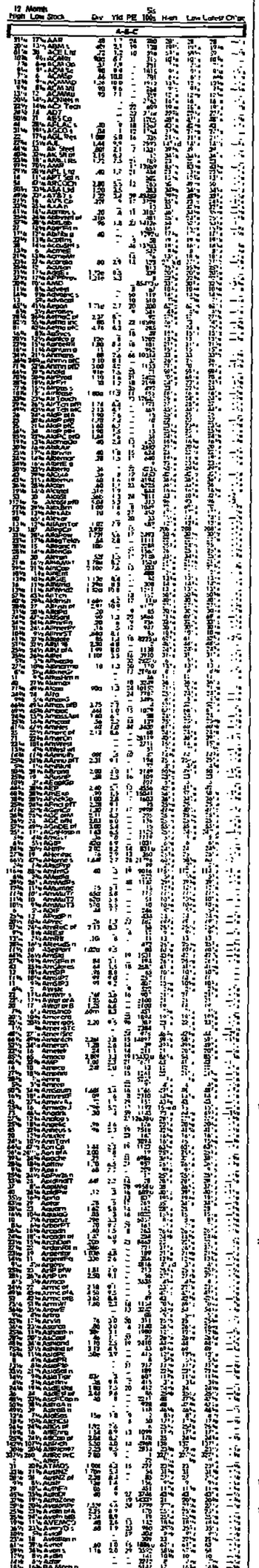
	High	Low	Close	Prev.
Adecco B	377.50	370	370	375
Alusuisse R	1129	1118	1118	1130
Ares-Serono B	1320	1310	1315	1315
Baloise Hdg R	2715	2660	2705	2680
ABB B	1663	1653	1658	1655
BK Vision	730	718	730	725
Bobst B	1930	1925	1930	1935
CS Holdings R	135	134.25	134.75	134.75
Elektrowatt B	536	535	535	536
Fischer B	1437	1430	1435	1435
Hilti PC	903	891	902	895
Holderbank B	1012	998	998	1007
Jul. Baer Hdg B	1412	1404	1410	1407
Nestle R	1468	1455	1464	1452
Novartis R	1564	1556	1560	1561
Oerlikon R	138	136	137	137.75
Pargesa Hld B	1480	1470	1472	1475
PharmVisn B	626	620	625	620
Pirelli B	200.50	197	199	200
Roche Hdg PC	10765	10690	10740	10735
SBC R	250.50	247	250.50	248.25
Schindler B	1490	1480	1490	1480
SGS B	3280	3230	3250	3290
SMH B	868	854	863	864
Sulzer R	840	835	837	838
Swiss Reins R	1399	1384	1397	1390
Swissair R	1149	1130	1138	1146
UBS B	1165	1145	1156	1164
Valora Hdg R	279	270	278	269
Winterthur R	781	774	778	779
Zurich Assur R	366.50	363.50	365.50	363.50

NYSE

Tuesday's 4 p.m. Close

Nationwide prices, not reflecting late trades elsewhere

The Associated Press



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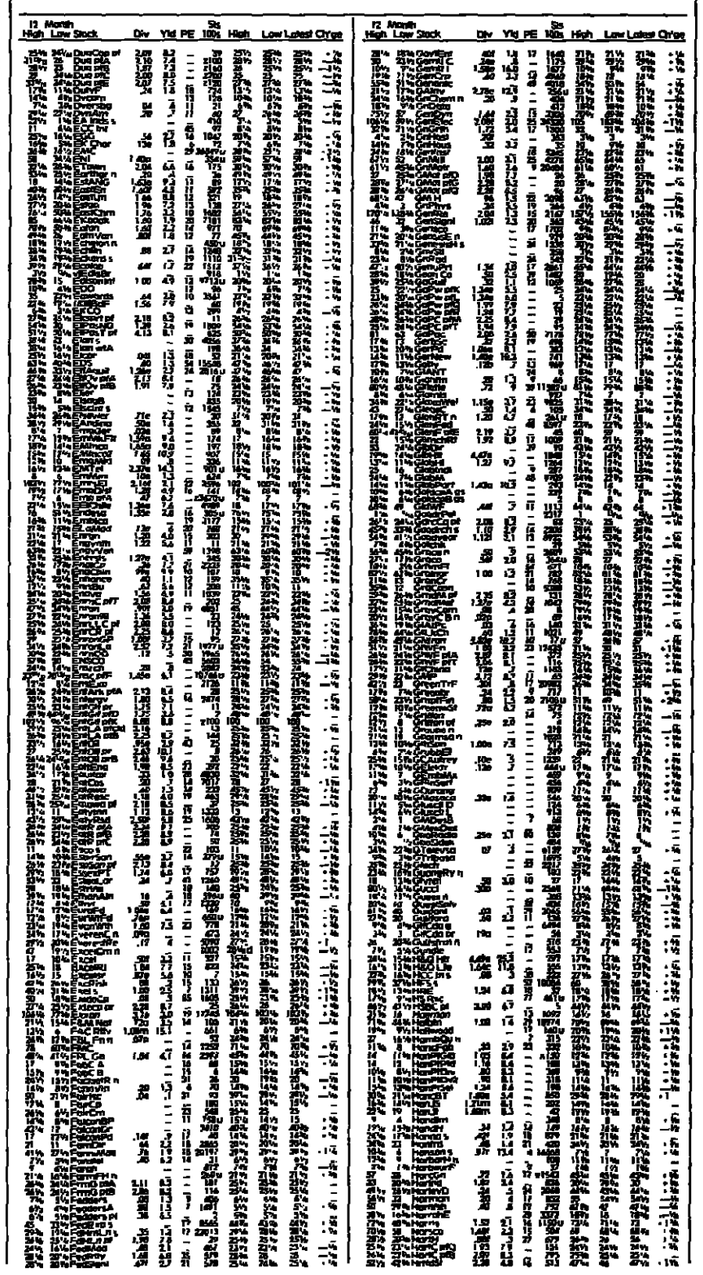


Continued on Page 17

ASIA/PACIFIC

Official's Words Calm Tokyo Stock Storm

By Sheryl WuDunn
New York Times Service

TOKYO — Japan's finance minister seemed to reassure the stock market Tuesday, saying the Finance Ministry would watch the market with serious concern after shares plunged in early trading.

The fall of about 3 percent in the main index initially erased more than half of the gain made Monday, when the benchmark Nikkei Stock Average partly recovered from its staggering losses of last week. But the market recovered on Finance Minister Hiroshi Mitsuzuka's remarks, and the Nikkei average closed at 18,093.13, down just 25.66 points.

On Monday, the Nikkei average soared 815.14 points to close at 18,118.79, up almost 5 percent from Friday. Those gains fizzled in early trading Tuesday, however, after an official of the Economic Planning Agency acknowledged the risks of a market decline, saying it would have a "bad effect on banks."

He added, however, that "at this current moment, I am optimistic and think the effects of a stock decline will be limited."

Although Monday's gain offered some hope that the market was settling down, it was clear Tuesday morning that the conditions that helped bring about last week's plunge, which pushed the Nikkei index down more than 10 percent, still existed.

Japan's economic outlook for 1997 remains dull, a rise in the national sales tax is expected to crimp consumption, and budget-tightening by the government will curb public spending. Prime Minister Ryutaro Hashimoto's "Big Bang," or plan to deregulate financial markets, also has raised concern about the financial industry's ability to withstand new competition.

Moreover, risky Japanese investment funds seem to have influenced the wild market swings of recent days. Thus, analysts said, the market could see more such volatility in coming weeks. These so-called bull and bear funds use index futures to make aggressive bets on the market's movements. Since their introduction two years ago, these funds have expanded to control more than 400 billion yen ($3.44 billion).

The largest of the aggressive bull funds, operated by Daiwa Securities Co., by itself holds about $2 billion.

"Tokyo has always been a volatile market," said Giles Ockenden, an equity strategist at Jardine Fleming Securities Ltd. in Tokyo. "Sentiment is so powerful in the market, and it's not that connected to valuation."

Investors have always had difficulty evaluating the financial conditions of Japanese banks and brokerage firms, which have traditionally disclosed much less financial information than their American counterparts. Japan's thinly capitalized banks are still burdened by several hundred billion dollars in bad real-estate loans, and it was those banks that bore the brunt of the market sell-off last week.

Australia's Jittery Carmakers

Reuters

ADELAIDE — The Australian car industry is at a crossroads: The country's four major carmakers have plans to invest more than 4 billion Australian dollars ($3.12 billion) in local operations, but they are nervously awaiting the government's response to a critical industry review.

Ford Motor Co. and General Motors Corp. have warned they may scrap their plans for additional Australian manufacturing operations if the government decides to cut tariffs on imported cars.

Under the current plan, import tariffs, now at 25 percent, will drop to 15 percent by 2000.

According to Mitsubishi Motors Australia Ltd., the future of the industry in Australia will depend on the government's commitment to assistance — especially tariff levels, export support and economic reform.

Australian sales of new vehicles rose 1.2 percent, to 650,000, in 1996 from 1995, but the industry's umbrella group said sales were expected to fall 3 percent in 1997. The Federal Chamber of Automotive Industries said sales had remained at 1980s levels despite a 20 percent rise in the population.

The group said there were few hopes for any major increase in the short term, adding that competition would intensify as cheaper imports became available. Imports took 46.4 percent of the Australian market in 1996.

The Federal Chamber of Automotive Industries said domestic vehicle production fell to about 323,000 in 1996, from 377,000 units in 1985, while the number of models produced fell to five from 13.

Benefiting from the new global approach of their corporate parents, the Australian units of General Motors and Mitsubishi have made heavy investments in models aimed at export markets.

General Motors-Holden's Automotive Ltd., which has announced a five-year, 1.4 billion-dollar investment program, is to become the regional source for GM's new Vectra model. Mitsubishi's local operation introduced a new engine last year, which will be supplied to the parent company in Japan. The company also plans to export 25,000 Magna sedans a year from Australia, following a 525 million-dollar investment.

Ford, meanwhile, is investing 1 billion dollars to produce a new Falcon model for the local market, while Toyota Motor Corp. has spent 420 million dollars on a new plant, part of 1.2 billion dollars it says it is investing from now until 2000.

Toyota Sees Future Away From Autos

Compiled by Our Staff From Dispatches

TOKYO — Toyota Motor Corp. plans to generate profit from sources outside its core automotive business, notably in housing and telecommunications, by 2000, Hiroshi Okuda, the company's president, said Tuesday.

Mr. Okuda said that Japan's top automaker hoped to raise the ratio of these new businesses to 10 percent of its overall sales by that date. In the year to March 31, nonauto areas accounted for just 2.2 percent of Toyota's sales of 7.96 trillion yen ($68.5 billion).

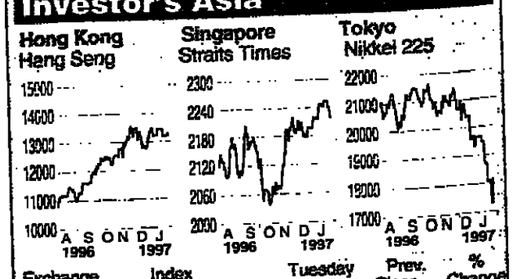
"If you look back in history, there hasn't been a single industry that continued to be profitable for more than 40 to 60 years," Mr. Okuda said. "We aren't bold enough to think the auto industry is immortal."

Toyota already has three telecommunications subsidiaries, and Mr. Okuda said the company was seeking strategic partners for global expansion.

Toyota plans to concentrate its efforts in the housing sector in Japan. If that effort fails, it will spin off the business, he said. Toyota also is producing leisure boats and aircraft engines.

Mr. Okuda also said Toyota could not generate sufficient profit if the dollar weakened to 95 yen, as it did in 1995. He said an appropriate dollar rate for Japan's economic fundamentals would be between 100 and 110 yen; it was at 116.85 yen late Tuesday. *(AP, AFX, Bridge News)*

Investor's Asia



Exchange	Index	Tuesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	13,293.87	13,289.21	+0.04
Singapore	Straits Times	2,215.52	2,232.40	-0.76
Sydney	All Ordinaries	2,419.40	2,422.30	-0.12
Tokyo	Nikkei 225	18,093.13	18,118.79	-0.14
Kuala Lumpur	Composite	1,211.04	1,220.38	-0.77
Bangkok	SET	807.67	822.89	-1.85
Seoul	Composite Index	686.59	659.54	+4.10
Taipei	Stock Market Index	7,137.76	7,189.47	-0.72
Manila	PSE	3,261.72	3,270.31	-0.26
Jakarta	Composite Index	656.65	656.09	+0.09
Wellington	NZSE-40	2,406.21	2,401.99	+0.18
Bombay	Sensitive Index	3,487.40	3,453.16	+0.99

Source: Telekurs International Herald Tribune

Very briefly:

• **Matsushita Electric Industrial Co.** will shift its focus from consumer appliances to high-technology items in hope of improving profit. The company, which sells products under the National, Panasonic and Technics brands, will focus on parts such as semiconductors as well as information-technology products including optical disks and mobile phones.

• **Thailand's** cabinet approved a series of measures aimed at stimulating the country's property market. The measures included setting up a 50 billion baht ($1.95 billion) fund to take over the financing of problem projects.

• **The Bank of Thailand** plans to raise the foreign-investment ceiling for banks and finance companies to 40 percent from 25 percent.

• **Sumitomo Corp.'s** former chief copper trader, Yasuo Hamanaka, charged with fraud in connection with multibillion-dollar losses from unauthorized trades, will face trial next month, Kyodo News reported.

• **Faber Group Bhd.**, a Malaysian property and hotel company, plans to sell a 61.2 percent stake in the property developer **Cirpriani Sdn.** to **Ikatanbina Sdn.**, a privately held company, for 183.3 million ringgit ($74.2 million).

AFP, Bloomberg, Reuters

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1996 PRELIMINARY CONSOLIDATED SALES

	1996 (FRF millions)	1996/1995 (%)
France	3,070	−1
Germany	1,060	−12
Other European countries	2,590	–
NAFTA (USA - Canada - Mexico)	1,530	+11
Other countries	1,615	+91
Total	9,865	+8

Sales in the countries of the European Union totalled FRF 6,390 million.

BOENING: *Chief Executive Wants Merged Company to Listen Up*

Continued from Page 11

ees, in particular, have been through a lot of training and gimmicks aimed at shifting their company's culture, and Mr. Condit is not unrealistic about how effective such efforts will prove to be.

"You're kidding yourself if you think all these people will behave as an integrated unit," he said. "They won't."

But he does want real listening to occur more often. He routinely dresses down for trips to the shop floor because he finds that when he is wearing a suit and tie, discussions take longer to get going.

"Most of us in conversations spend a lot of time formulating in our minds what we want to tell somebody else and not very much time listening," he said.

He wants information to be shared more among employees in different departments — perhaps a harder thing to accomplish, but Mr. Condit has shown he has an idea or two about getting it done. For example, when the 777 program required a new building, he insisted it be built with escalators as well as elevators.

People talk more on escalators, he said, and they are more likely to travel one or two flights to other departments if they do not have to wait for an elevator. His goal, he said, was to "make a multistory building behave like a big single-story building."

Even without the merger, which is still subject to approval by shareholders and by regulators concerned about possible anti-competitive effects, Mr. Condit has his hands full. He admits that Boeing mishandled union talks in 1995 with a poor communications job that failed to avert a strike. Since then, the company has set aside about $1 billion in stock for possible payment to employees beginning in July 1998 if its share price hits certain targets.

Mr. Condit said the company had chosen a stock program to create a sense of "shared destiny" rather than a profit-sharing plan because in the aerospace business, profit could be good in years when the company was not doing so well by other measures.

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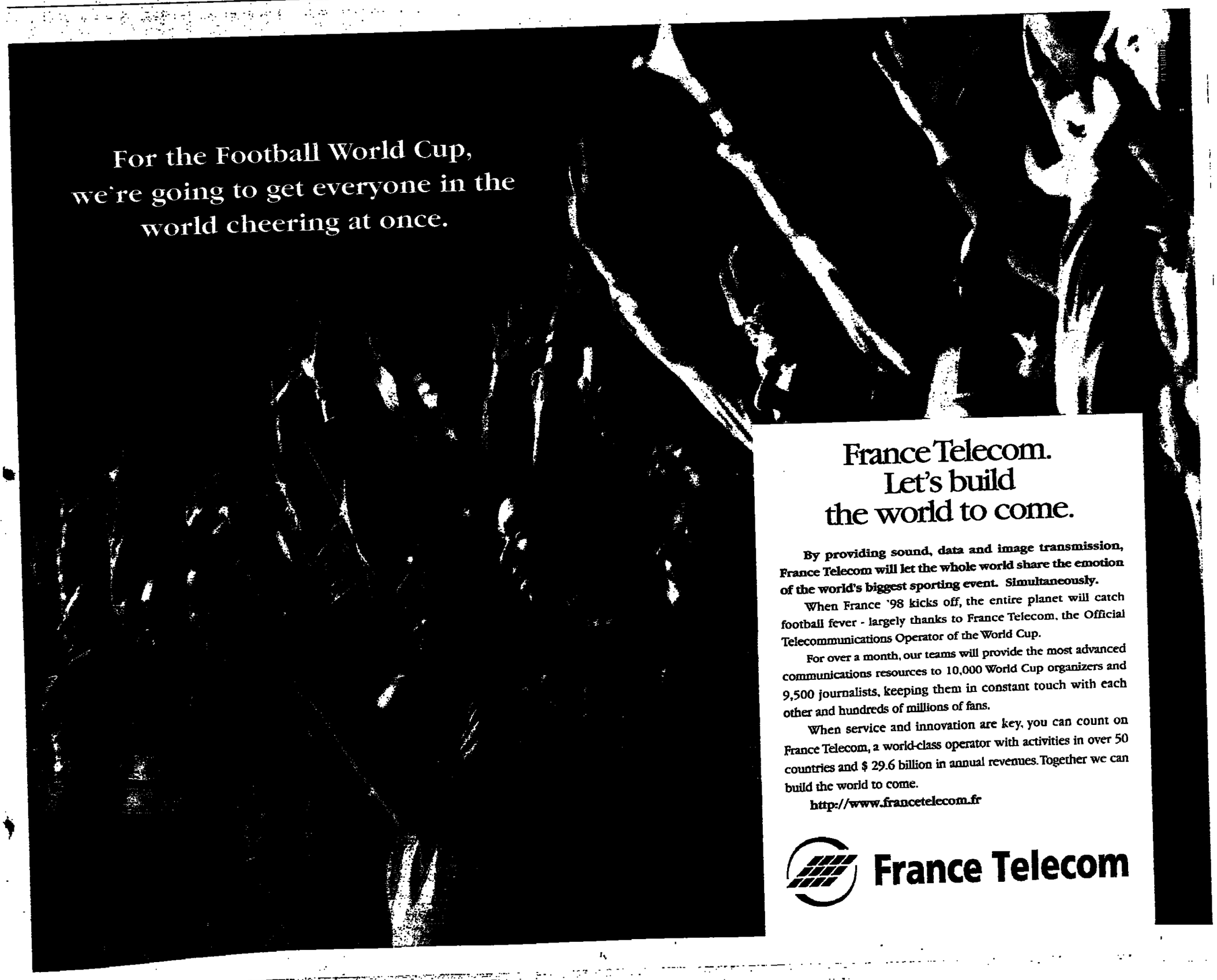
U.S.-Japan Pacts Get Poor Marks

Washington Post Service

WASHINGTON — The group representing U.S. business in Japan has issued an unfavorable appraisal of Washington's efforts to open Japan's market over the past 16 years, saying that fewer than one-third of U.S.-Japanese trade agreements had resulted in significantly increased sales of U.S. products.

Among the trade pacts rated as "successful" by the American Chamber of Commerce in Japan were a 1994 accord on cellular phones and the semiconductor accords of 1986 and 1991. Among those rated as "unsuccessful" were 1994 agreements on insurance, construction and apples.



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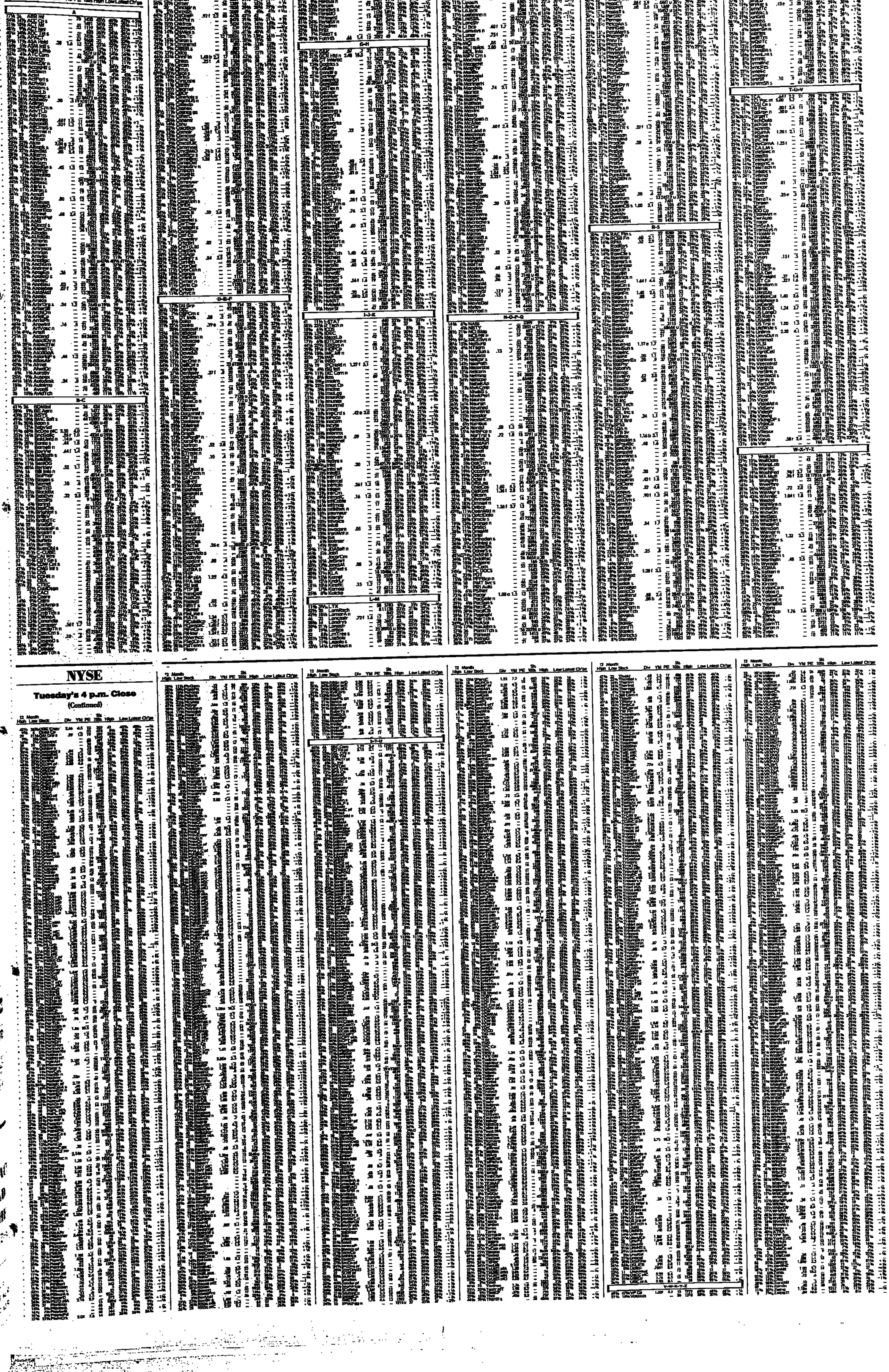
The Associated Press.



NYSE

Tuesday's 4 p.m. Close

(Continued)

WORLD ROUNDUP

Graf Awaits Verdict

German prosecutors demanded a jail term of six years and nine months Tuesday for the father of Steffi Graf, the world's No. 1 women's tennis player. They accused Peter Graf of trying to evade 19.2 million Deutsche marks ($12 million) in tax on his daughter's earnings between 1989 and 1993. Graf's lawyer will make a closing statement in the next few days. A verdict is expected Jan. 24. *(Reuters)*

Big Loss for Barcelona

SOCCER Barcelona wasted a 2-0 lead Monday night to lose, 3-2, to struggling Hercules. Barcelona's defeat by a team that had not gained a single point in the Spanish first division away from home this season shocked Barcelona fans, who screamed abuse at the team's coach, Bobby Robson. *(Reuters)*

Norwegian Wins Race

SKIING Kjetil Andre Aamodt of Norway captured the men's World Cup giant slalom Tuesday, clocking a total of 2 minutes 23.52 seconds at Adelboden, Switzerland. Michael Von Gruenigen, who led after the first run, made a series of mistakes on the second run for a 2:23.69 total. Andreas Schifferer of Austria was third at 2:23.96. *(AP)*

Odds Favor Packers

FOOTBALL The Las Vegas bookmakers have made the Green Bay Packers a 13½- to 14-point favorite when they play the New England Patriots on Jan. 26 in the Super Bowl. *(AP)*

For the Record

- The British yachtsman Tony Bullimore, who was rescued Jan. 9 by the Australian Navy, was reported to be in good spirits Tuesday after surgery on a finger injured during his five-day ordeal at sea.
- Robert Irsay, 73, the owner of the Indianapolis Colts, died Tuesday, more than a year after a massive stroke.
- Kenny Dalglish has been named Kevin Keegan's successor as manager of the English Premier League club Newcastle United.
- Juventus, the European soccer champion, will be without its Croatian striker, Alen Boksic, for two months after tests revealed a serious ankle injury. *(Reuters, AP)*

Frank Trobaugh/The Associated Press

Chanda Rubin of the United States during her victory Tuesday over Radka Zrubakova in Melbourne.

Hit-and-Miss Capriati Bows Out

By Robin Finn
New York Times Service

MELBOURNE — Jennifer Capriati's comeback trail hit another Grand Slam roadblock on Tuesday at the Australian Open, an event she had not visited since 1993.

Assigned to Court 3, Melbourne Park's version of purgatory, Capriati had a hellish time as she toiled on the fringes of this ever-expanding property. Freight trains rumbled by on the adjacent railroad tracks, coveys of crows cackled overhead, and across the net, 78th-ranked Jolene Watanabe played a coy, conservative match and let Capriati dig her own grave with 69 unforced errors.

Watanabe, a 28-year-old Californian, simply kept the ball within bounds and let Capriati hit-and-miss her way to a 6-2, 3-6, 6-4 defeat in a tournament in which Capriati had reached the quarterfinals during her untrammeled teenage years in 1992 and 1993.

"I'm not going to let this discourage me, make me think I can't play anymore; I have enough desire to want to reach my potential still," said Capriati, who is 20.

She then fell apart during her news conference when asked if she sensed how badly her fans wanted her to succeed in this second life on the tennis stage that anointed her a star at 13 and contributed to her despair and disillusionment at 17.

The day went more smoothly for fourth-seeded Martina Hingis, who defeated Capriati in the Sydney final last Saturday, and seventh-seeded Lindsay Davenport, who was upset by Capriati at that same event.

Ensconced in the stadium court, Hingis dismissed Barbara Rittner of Germany, 6-1, 7-5, and Davenport roused herself from a slow start and ousted 76th-ranked Nathalie Dechy, 4-6, 6-1, 6-1.

Like Davenport, fifth-seeded Anke Huber, last year's runner-up, had an awkward beginning, but she managed an 0-6, 6-2, 7-5 comeback against 31st-ranked Amy Frazier.

No. 2 Arantxa Sanchez Vicario, a 1994 and 1995 finalist in the Australian, squeezed out a 6-4, 6-4 victory over Italy's Gloria Pizzichini.

Capriati found herself trailing, 6-2, 3-1, before she buckled down and used her ground strokes to overwhelm Watanabe, whose 11 double faults gave Capriati several windows of opportunity during the match.

But when she fell behind by 4-1 in the third set after a double fault, Capriati was too nervous to make the kind of comebacks she achieved against Davenport and Chanda Rubin in Sydney.

When Watanabe served for the match at 5-4, Capriati saved 2 match points but misfired yet again and netted a ball on the third.

"I think I was nervous, and by the time I started loosening up, it was too late," she said.

Top-ranked Pete Sampras had never heard of Dinu Pescriu, his opening-round opponent, but he did not let the 169th-ranked Romanian qualifier use the element of surprise in their stadium court encounter: Sampras, the champion here in 1994, demolished his underqualified challenger, 6-2, 6-4, 6-2.

No. 11 seed Jim Courier, the 1992 and 1993 winner, let a 5-2 lead slip away in the final set before prevailing 6-7 (4-7), 6-3, 4-6, 6-1, 8-6 over Dutch player Sjeng Schalken in four hours.

Among the other seeded players to advance were No. 3 Goran Ivanisevic, who trounced the Australian Ben Ellwood, 6-2, 7-5, 6-3, and No. 9 Marcelo Rios of Chile, a 7-6 (7-4), 6-3, 6-3 winner against Petr Korda.

(For more results, see Scoreboard, Page 19)

Cyclist's Cancer Fight Takes a Hopeful Turn

Armstrong Resumes Serious Training

By Samuel Abt
International Herald Tribune

PARIS — His numbers are good and getting better, and so is he, Lance Armstrong said happily here Tuesday.

By "numbers," the 25-year-old American bicycle racing star meant his markers — the protein count in his blood that signifies how his battle against cancer is progressing.

"They're down to three," he said. "Three from a high of 90,000." Zero means the body is free of cancer.

His "numbers" also mean the odds that he will live and overcome the spread of testicular cancer to his abdomen, lungs and brain. The cancer was diagnosed late in September; Armstrong immediately underwent an operation to remove the malignant testicle and then began 12 weeks of chemotherapy, which ended in mid-December.

"At the end of the last treatment, I asked my doctor, 'If I was 50-50 before, where am I now?' He said 80-20. And that's a month ago."

Despite the improvement, Armstrong makes no secret of his feelings. "It's scary," he said. "The longer I'm away from my exams, the more I get worried till I see the doctor again. It's such a relief when he says, 'You're getting well.' "

His next visit to his doctor in Indianapolis is scheduled Feb. 10. Armstrong, who was in Paris for the formal presentation of his new Cofidis team, planned to fly home to Texas on Wednesday.

HE ARRIVED in Europe last Thursday and has spent his days meeting his new teammates, renegotiating his contract and resuming serious training. Until he began riding hard again in Florida late in December, he had not been training since he ended his season last September.

"On the bike, I've never had to suffer as I did in the last few weeks," Armstrong said. "I tried to ride through the chemotherapy but I had to ride slow and to go just that speed would hurt. That was a big adjustment.

"And off the bike, of course, there were many, many, many adjustments to make, just mentally, knowing you were fighting for your life."

His new team is based in France and includes three other American veterans of the extinct Motorola squad: Kevin Livingston, Bobby Julich and Frankie Andreu. They said Tuesday that Armstrong seemed fit enough, everything considered.

"We rode about 120 kilometers yesterday," he reported. "I enjoy riding. Now it's physically easier. I feel stronger. Stronger, not strong."

When he returns to Texas, he will concentrate on weight training. "I'm going to start Monday as if I were starting in November or December, go back and do your typical off-season training, strength-building," he said. "Then I'll work on the aerobic engine."

While he remains in Texas, the 20 other Cofidis riders will be starting their season — first with a training camp in the south of France and then in races in February.

When the riders trooped on stage to be presented one by one, the Texan won the loudest ovation. His illness and recovery have been major news in Europe, especially France, where he has distinguished himself in the Tour de France by winning two stages.

Wearing a white baseball cap to mask the two scars that brain surgery left on his hairless head, Armstrong answered questions through an interpreter.

In which race did he expect to return to competition?

"Any race," he said. "It depends what the doctors say."

He returned to this theme later when a television interviewer asked him how long he expected to be away from bicycle racing.

"Six months, a year," he said. "Maybe forever. Living is more important than racing."

Laurent Rebours/The Associated Press

Lance Armstrong in his Cofidis cap.

BUSINESS MESSAGE CENTER

Personals

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GO: 0,5517 FOD*: 0,3476

ALLEMAGNE (zone I) DMI - TVA 15%
ZONE I - G :
GO: 1,10
ZONE II - I :
GO: 1,10 SCSP: 1,41
ZONE III - F :
GO: 1,05 SCSP: 1,39
ZONE IV - F :
SCSP: 1,40
ZONE IV - G :
GO: 1,10 FOD: 0,65

BELGIQUE en FBI - TVA 21%
GO: 23,22 FOD: 11,90
SC97: 33,06 SCSP: 31,07

HOLLANDE (zone2) NLGA - TVA 17,5%
GO: 1,324

LUXEMBOURG en LUFA - TVA 15%
GO: 20,17

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2) The Project involves the transportation of processed natural gas from a gas field, in the vicinity of Songo Songo Island, to the city of Dar es Salaam, some 230 km north of the island for power generation and other industrial applications.

3) Telecommunication services required include the provision of mobile radio coverage along the pipeline right of way, voice, data and facsimile communications between the gas processing plant on Songo Songo Island, the power generation plant at Ubungo near Dar es Salaam and Songas head office in Dar es Salaam. The proposed system may be a terrestrial radio system, a satellite based system or a combination of terrestrial and satellite facilities. Significant current and international experience with microwave and satellite systems is a minimum requirement for prequalification.

4) Copies of the Prequalification Requirements document will be available to interested companies on or about January 10, 1997 and will be forwarded on receipt of a written request (mail, courier, fax or E-mail) at the following address:

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Fax: 604-687-7289
Internet: gvandenberg@teleconsult.com

Attention: Mr. G. van den Berg

5) Applications must be clearly marked Prequalification for Provision of Radio System, System Integration, and Telecommunication Services (Contract No. J494-105) and shall be received at the above address no later than 15:00 hours local time on February 7, 1997

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For Corruption Investigators, Soccer Offers a Busy Agenda

By Rob Hughes
Special to the Herald Tribune

LONDON — Trying to put a lid on soccer corruption is like trying to trap odious vapor in a colander. The poison seeps out.

On Monday, coinciding with the start of a court trial into alleged match-rigging at the top of the English professional game, UEFA, soccer's European governing body, stated:

VANTAGE POINT

"UEFA is determined to fight corruption — rest assured we will react to any attempt to harm the game or to bring it into disrepute."

Gerhard Aigner, the general-secretary who made that pledge, knows UEFA's hands are full. Day by day, the values of the game lose a little to the ruthlessness of business. Crooks move in on soccer's money bags like pickpockets to an open wallet, and they have a 30-year start on UEFA's two-man special investigating committee, formed 11 months ago to sniff out corrupters.

Where should the secret investigators be this week?

- Winchester Crown Court, south of London, began Tuesday the expected eight-week jury trial of Bruce Grobbelaar, Hans Segers, John Fashanu and Heng Suan Lim on charges that they accepted or gave bribes to throw English first-division matches.

Grobbelaar and Segers are goalkeepers. Grobbelaar was born in Zimbabwe and Segers in the Netherlands. Fashanu was a centerforward, originally from Nigeria. Lim is a Malaysian businessman accused of providing $65,000 for Grobbelaar to let Newcastle United score and beat Liverpool, his former team, in 1993 so that a betting syndicate in the Far East could beat the pools. That, and all other allegations, are denied by the four defendants.

The case, and the inevitable sullying of soccer's image, continues.

- France, meanwhile, awaits even more incriminating outpourings of the Marseille affair. Bernard Tapie, former Socialist politician, millionaire and alleged benefactor of a football club, threatens to bring the game down with him.

His presidency of Olympique Marseille brought France the glory of its first European Cup in 1993 and, almost overnight, the removal of that trophy when l'OM was disqualified following evidence of bribes to players of Valenciennes to "go easy" in a league match against Marseille.

Marseille, subsequently spared bankruptcy when the city fathers and regional powers bankrolled $50 million in debts, is rising again. Tapie, now accused of spreading $20 million over systematic match-rigging, threatens, Samson-like, to pull down the pillars of French soccer.

"Everything that existed before me is still going on," Tapie exclaimed when the report of Pierre Philipon, the examining magistrate who has dipped for four years into Marseille's corruption, was partly leaked last weekend.

Tapie is expected to be back in court in May. "I intend," he warns, "naming all the personalities in French football," including club. It is a change of tune. Before this, Tapie swore his innocence, blamed Paris politicians for trying to besmirch Marseille and socialism and claimed it was all a conspiracy.

Most of what UEFA knows is through media reports, but at least the authority looks for the facts: Artemio Franchi, a previous UEFA president, threatened to sue investigative reporters.

- Portugal is another hotbed of allegations. What started this winter with published insults between high officials has led to specific claims against Jorge Nuno Pinto da Costa, the most powerful man in Portuguese sports.

His club, Porto, is a quarterfinalist in the UEFA Champions' League. His reign as president of Porto and head of the Portuguese league and the referees commission leads to periodic accusations of vested interests.

However, Fernando Barata, a hotelier who once presided at the Farense club, has named names. He cited the 1984 Cup Winners Cup semifinal, charging that Pinto da Costa bribed Ion Igna with $50,000 to smooth Porto's victory over the Scottish team Aberdeen.

Denials are profuse. Allegations are mounting, including claims that the Mafia is involved in Portuguese match-fixing. In a separate case, Jose Guimaro, a referee, and Manuel Rodrigues, the president of Leca when it was promoted in 1993, have been jailed for 15 months and 12 months for bribery.

But the lid lifts on rife corruption in Portugal. The government is under pressure to act. FIFA is "satisfied" that the matter is internal. And UEFA has now invited Barata to its Swiss headquarters to put on record his detailed claims of bribery in European club matches.

- Cyprus may be a small nation and a small federation, but its soccer rulers are big on correctness. That, at least, is the implication of the speed with which they have moved to probe newspaper allegations that players on the national team placed bets on losing their World Cup qualifier in Limassol on Dec. 14.
- Last, sadly not least, is the Norwegian agent Rune Hauge, whose underhand payments cost George Graham his role as Arsenal manager and a year's ban from soccer. Hauge was struck off FIFA's list of licensed agents.

But when other agents complained that transfers to England from Scandinavia were subsequently manipulated by Hauge, FIFA admitted its ban was inoperable. "Unfortunately, the players and clubs seem to have an appetite to deal with Mr. Hauge," said FIFA's spokesman, Keith Cooper.

The appetite for corruption abounds. Authority's appetite to protect and clean up the game must grow commensurately.

Rob Hughes is on the staff of The Times of London.

SPORTS

Late Goal Lifts Stars in Montreal

The Associated Press

The Dallas Stars won in Montreal for the first time in 10 years, and the Ottawa Senators won in Boston for the first time ever.

Alexandre Daigle scored with 1:22 left, giving Ottawa a 4-3 victory over the Bruins on Monday night. The Senators, who snapped a 22-game winless streak against the Bruins with a victory in Ottawa on Jan. 1, had lost their 11 previous games in Boston.

The Senators' goalie, Ron Tugnutt, stopped 35 shots for his first victory since Nov. 27.

In Montreal, rookie Jamie Langenbrunner's power-play goal in the second period gave Dallas a 2-1 victory over the Canadiens. It was the Stars' first victory in Montreal since Feb. 23, 1987, when the team was based in Minnesota.

Langenbrunner took a cross-ice pass from Benoit Hogue and beat goaltender Jocelyn Thibault for the winning goal at 16:06 of the second period. Jere Lentinen also scored for Dallas. Turner Stevenson scored for the Canadiens.

In the Senators' game in Boston, Daigle stole the puck at the blue line and passed to Shaun Van Allen to start the winning play. Daigle picked up the rebound of Van Allen's shot just off the goal line and angled it into the net.

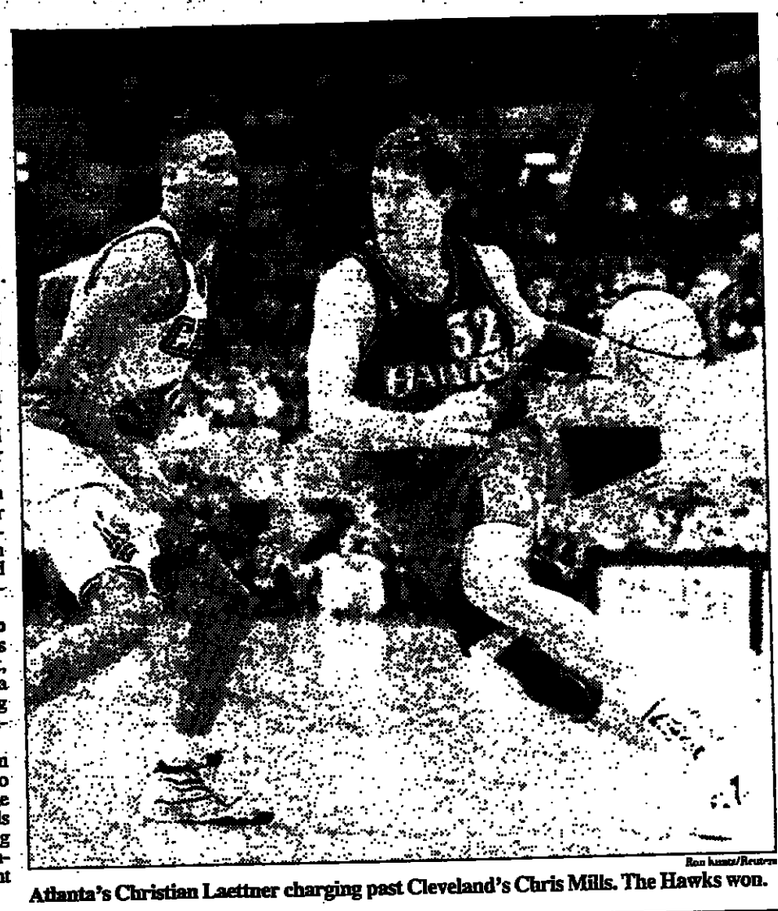
Islanders 4, Rangers 2 In New York, Tommy Salo outplayed Mike Richter in goal as the Islanders snapped their seven-game winless streak.

Capitals 6, Maple Leafs 3 In Landover, Maryland, Peter Bondra extended his point-scoring streak to a career-high 10 games with two goals, and Washington remained unbeaten in January.

Lightning 2, Blackhawks 0 Rick Tabaracci made 27 saves for his 10th career shutout, and John Cullen scored on a 55-foot slap shot as visiting Tampa Bay extended its unbeaten streak to five games.

Sharks 5, Coyotes 4 In San Jose, California, Tony Granato scored twice, including the game-winner with 48 seconds remaining. Granato's winning goal came off Bernie Nicholls's third assist of the night and 702d of his career.

NHL ROUNDUP



Ron Isaac/Reuters

Atlanta's Christian Laettner charging past Cleveland's Chris Mills. The Hawks won.

Heat Find Sweet Revenge

Rally Led by Howard Fails to Save the Bullets

The Associated Press

With Juwan Howard playing for the other side this season, the Miami Heat beat the Washington Bullets — but barely.

Alonzo Mourning scored 32 points Monday night and the Heat withstood a furious fourth-quarter rally by Washington to win, 98-95.

Howard, booed throughout the game because he spurned the Heat last summer, scored 23 points and helped the Bullets rally from an 82-60 deficit with nine and a half minutes left. But they failed to catch Miami, with Chris Webber and Tracy Murray missing 3-point attempts in the final 10 seconds.

Tim Hardaway scored 28 points as the Heat snapped Washington's four-game winning streak.

The game marked Howard's first appearance at Miami Arena since July 17, when he announced his signing with the Heat. Less than three weeks later, the National Basketball Association voided the seven-year, $101 million deal, and Howard re-signed with the Bullets.

Hawks 93, Cavaliers 79 In Cleveland, Christian Laettner scored 25 points as Atlanta won its sixth straight.

The Hawks have won 12 of 15 and were coming off three straight overtime victories.

Jazz 97, 76ers 96 Utah made just one field goal in overtime but it was enough to end their eight-game road losing streak in Philadelphia.

Karl Malone had 28 points and nine rebounds to lead the Jazz. Mark Davis had a career-high 24 points for the 76ers.

Magic 114, Nets 111 In East Rutherford, New Jersey, Rony Seikaly scored 8 of his 29 points in the fourth quarter as Orlando wiped out a 10-point deficit.

Dennis Scott matched his season high with 27 points and Horace Grant added 26 points as Orlando won for the third time in four games since the return of Penny Hardaway and Nick Anderson from injuries.

Suns 105, Mavericks 98 Cedric Ceballos scored 26 points in his first game back with Phoenix and the visiting Suns hung on to win after watching a 26-point, third-quarter lead evaporate.

Dallas trailed by 11 points at the start of the fourth quarter, but rallied to tie it, 95-95, on Michael Finley's free throw with 2:06 to play. Finley is a former Sun.

The Suns retook the lead on two free throws from Danny Manning with 1:32 left, and Phoenix opened a 99-95 lead on Kevin Johnson's 14-foot jumper with 55.2 seconds remaining.

Jim Jackson's lay-up with 49.2 seconds left pulled the Mavericks within 99-97, but Ceballos, who began his NBA career in Phoenix and was traded back to the Suns last week by the Los Angeles Lakers, worked inside for a lay-up with 33.3 seconds left to end the Mavericks' comeback.

Hornets 102, Nuggets 100 In Denver, Tony Smith made a 10-foot jumper with 1:29 left in overtime for his only points of the game and the only basket in overtime.

By scoring only two points in the extra period, the clubs set an NBA record for the fewest points combined in an overtime. Charlotte made only 1 of 9 shots in overtime, while Denver missed all 10 of its overtime attempts.

NBA ROUNDUP

Kansas Overcomes Iowa State

The Associated Press

Top-ranked Kansas took full advantage of No. 8 Iowa State, which was missing two key players, to run its winning streak to 17 games with an 80-67 victory.

The Jayhawks' center, Scot Pollard, was considered 50-50 earlier Monday because of a badly sprained ankle.

But it was the Cyclones who had the problems as center Kelvin Cato sat on the bench most of the game in foul trouble, and top scorer Dedric Willoughby missed the second half because of a recurring hamstring injury.

No.13 Duke 84, Campbell 59 Roshown McLeod had 12 points and 10 rebounds for the Blue Devils (12-4), who held the visiting Camels (5-8) to one field goal over the first 11 minutes.

No. 19 Boston College 81, Georgetown 74 Antonio Granger scored 19 points to lead the Eagles (11-2, 6-1) to their fifth straight victory and best-ever Big East start. Duane Woodward added 15 points for Boston College. Victor Page had 19 points for the Hoyas (10-5, 3-4), who have their worst conference mark ever after seven games and have lost four of their last six.

COLLEGE BASKETBALL

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

ATLANTIC DIVISION	W	L	Pct	GB
New York	26	9	.743	—
Miami	26	10	.722	½
Washington	19	16	.543	7
Orlando	14	18	.438	10½
New Jersey	9	24	.273	16
Boston	8	25	.242	17
Philadelphia	8	27	.229	18
CENTRAL DIVISION				
Chicago	31	4	.886	—
Detroit	26	8	.765	4½
Atlanta	22	11	.667	8
Cleveland	21	14	.600	10
Charlotte	20	16	.556	11½
Milwaukee	18	17	.514	13
Indiana	16	17	.485	14
Toronto	12	23	.343	19
WESTERN CONFERENCE				
MIDWEST DIVISION				
Houston	27	9	.750	—
Utah	24	12	.667	3
Minnesota	16	19	.457	10½
Dallas	12	21	.364	13½
San Antonio	9	25	.265	17
Denver	9	27	.250	18
Vancouver	7	29	.194	20
PACIFIC DIVISION				
L.A. Lakers	27	10	.730	—
Seattle	26	11	.703	1
Portland	19	16	.543	7
Sacramento	15	22	.405	12
L.A. Clippers	14	21	.400	12
Golden State	10	22	.313	13½
Phoenix	12	24	.333	14½

MONDAY'S RESULTS

Orlando 25 27 17 35—114
New Jersey 43 28 23 25—111
O: Seikaly 9-16 11-12 29, Scott 9-18 4-4 27, N.J. Gill 17-25 4-4 41, Pack 11-24 9-11 33. Rebounds—Orlando 55 (Grant 15), New Jersey 47 (Williams 19). Assists—Orlando 34 (Anderson, Hardaway 8), New Jersey 36 (Pack 18).
Utah 25 25 20 19— 89
Philadelphia 18 28 25 26— 97
U: Malone 11-22 6-7 28, Russell 6-11 3-5 14, Hornacek 6-16 4-4 16; P: Davis 12-16 0-0 24, Iverson 9-18 2-2 23. Rebounds—Utah 50 (Malone 9), Philadelphia 49 (Cage 14). Assists—Utah 23 (Stockton 7), Philadelphia 24 (Iverson 7).
Washington 22 11 27 35—95
Miami 24 25 28 21—98
W: Howard 9-13 5-5 23, Mussina 8-11 1-2 17; M: Mourning 11-24 10-13 32, Hardaway 10-17 3-4 28. Rebounds—Washington 50 (Webber 11), Miami 56 (Mourning 12). Assists—Washington 21 (Strickland 10), Miami 23 (Hardaway 9).
Atlanta 21 23 25 24—93
Cleveland 20 31 18 10—79
A: Laettner 8-14 7-8 25, Mutombo 7-9 2-3 16; C: Brandon 8-13 3-3 21, Mills 5-14 1-2 13. Rebounds—Atlanta 39 (Mutombo 14), Cleveland 39 (Hill 7). Assists—Atlanta 21 (Blaylock 10); Cleveland 20 (Brandon 7).
Phoenix 29 30 21 25—105
Dallas 21 21 27 29— 98
P: Ceballos 9-18 8-11 26, Johnson 9-17 3-4 22, Manning 6-11 10-11 22; D: Gatling 8-17 6-9 22, Finley 7-15 1-2 18. Rebounds—Phoenix 51 (Ceballos 12), Dallas 56 (Finley, Green 7). Assists—Phoenix 19 (Johnson 11), Dallas 22 (Cassell 5).
Charlotte 23 33 21 23 2—102
Denver 27 23 29 21 8—108
C: Rice 10-21 3-4 25, Curry 8-13 4-4 23; D: Ellis 8-18 5-6 23, Stith 8-21 2-2 22. Rebounds—Charlotte 54 (Divac 16), Denver 52 (Johnson 13). Assists—Charlotte 17 (Mason 7), Denver 30 (Jackson 10).

HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION	W	L	T	Pts	GF	GA
Philadelphia	25	13	5	57	144	109
Florida	22	11	9	53	134	96
N.Y. Rangers	23	19	6	52	161	132
New Jersey	21	16	5	47	109	108
Washington	19	20	5	43	120	116
Tampa Bay	17	20	6	40	126	135
N.Y. Islanders	13	21	9	35	112	129
NORTHEAST DIVISION						
Pittsburgh	23	15	5	51	161	135
Buffalo	22	17	5	49	130	120
Montreal	17	20	8	42	147	154
Hartford	17	19	7	41	128	141
Boston	16	21	6	38	127	157
Ottawa	13	21	8	34	114	127
WESTERN CONFERENCE						
CENTRAL DIVISION						
Dallas	25	16	3	53	129	108
Detroit	21	15	7	49	134	98
Phoenix	19	22	4	42	124	146
St. Louis	19	22	4	42	127	146
Chicago	17	22	8	42	121	127
Toronto	17	27	6	34	136	156
PACIFIC DIVISION						
Colorado	26	10	8	60	150	101
Edmonton	20	21	4	44	145	136
Vancouver	20	21	7	41	133	142
Anaheim	17	21	5	39	124	132
San Jose	16	22	5	37	112	135
Calgary	16	23	5	37	110	130
Los Angeles	16	23	4	36	118	144

MONDAY'S RESULTS

Dallas 0 2 0—2
Montreal 0 1 0—1
First Period: None. Second Period: D-Lehtinen 8 (Modano, Verbeek) 2, M-Stevenson 2 (Dvorak, Brunet) (pp). 3, D-Langenbrunner 11 (Hogue, Gilchrist) (pp). Third Period: None. Shots on goal: D- 12-10-11—33. M- 2-8-7—17. Goalies: D-Moog. M-Thibault.
Ottawa 2 1 1—4
Boston 1 1 1—3
First Period: B-Tocchet 10 (Bourque) 2, O-, Olsson 2 (Lambert, Gerpiner) 3, O-Zhuttok 5 (Daigle, Olsson) (pp). Second Period: O-York 3, (pp). 5, B-Stumpel 13 (McLaren, Bork) Third Period: B-Oates 14 (Tocchet, Stolos) 7, O-Daigle 18 (Van Allen) Shots on goal: O- 6-9—19. B- 15-11-12—38. Goalies: O-Tugnutt. B-Cheveldae.
N.Y. Islanders 2 1 1—4
N.Y. Rangers 0 1 1—2
First Period: N.Y.-Patty 26 (McCabe, Green) 2, N.Y.-Hughes 5 (Anderson) Second Period: N.Y.-Green 10 (King, Webb) (pp). 4, N.Y.-Lesich 11 (Messier) Third Period: N.Y.-Robitaille 19 (Sundstrom) 6, N.Y.-Lachance 2 (Smolinski, McInnis) (pp). Shots on goal: Islanders 12-6-11—29. Rangers 7-10-13—30. Goalies: Islanders, Salo. Rangers, Richter.
Toronto 1 1 1—3
Washington 2 3 1—6
First Period: W-Miller 5 (Juneau, Hunter) 2, W-Nikoishkin 8 (Allison, Konowalchuk) 3, T-, Berezin 13 (Murphy, Sundin) (pp). Second Period: W-Juneau 12 (Simon) 5, W-Bondra 26 (Konowalchuk, Johansson) 6, W-Bondra 27 (Phonsiri, Reekie) (sh). 7, T-, Muller 13 (Sundin, Cooper) (pp). Third Period: T-Eliott 3 (Yushkevich, Craig) 9, W-Juneau 13 (Allison, Simon) Shots on goal: T-9-12-9—30. W- 14-14-7—35. Goalies: T-Potvin. W-Carey.
Tampa Bay 1 0 1—2
Chicago 0 0 0—0
First Period: T-Cullen 12 (Ciccarelli, Shaw) Second Period: None. Third Period: T-Zamuner 10 (Gratton) Shots on goal: T- 9-5-12—26. C- 12-7-8—27. Goalies: T-Taberacci. C-Hackett.
San Jose 3 1 1—5
First Period: Phoenix, Ronning 9 (Manson, Tkachuk) 2, S.J.-Guolla 1 (Friesen, Donovan) 3, Phoenix, Tkachuk 28 (Manson, Ronning) 4, S.J.-Kozlov 9 (Granato, Nicholls) 5, S.J.-Granato 13 (Nicholls, Friesen) Second Period: Phoenix, Karolev 2 (Tverdovsky, Quint) 7, S.J.-Nazarov 9 (McSorley) 8, Phoenix, Tkachuk 29 (Ronning, Drake) Third Period: S.J.-Granato 14 (Nicholls, Kozlov) Shots on goal: Phoenix 7-11-16—28. S.J.- 8-5-8—21. Goalies: Phoenix, Khabibulin. S.J.-Hrudey.

CRICKET

LIMITED OVERS WORLD SERIES

PAKISTAN VS. WEST INDIES
TUESDAY, IN SYDNEY, AUSTRALIA

West Indies: 187 in 47.3 overs
Pakistan: 183 for two in 39.2 overs.
Pakistan won by eight wickets.
Standings: West Indies 10 points, Pakistan 8, Australia 4.

ENGLAND TOUR
2D DAY OF 4-DAY MATCH
NEW ZEALAND XI VS. ENGLAND
TUESDAY, IN PALMERSTON NORTH

New Zealand Selection XI innings: 138
England innings: 154 for three
Rain forced play to be adandoned at lunch.

SKIING

World Cup

MEN'S GIANT SLALOM
TUESDAY, IN ADELBODEN, SWITZERLAND

1. Kjetil Andre Aamodt (Norway) two minutes 22.52 seconds (1:10.64/1:12.88). 2. Michael von Gruenigen (Switzerland) 2:23.69 (1:10.37/1:13.32). 3. Andreas Schifferer (Austria) 2:23.96 (1:11.32/1:12.64). 4. Heinz Schlichegger (Austria) 2:24.00 (1:10.89/1:13.11). 5. Fredrik Nyberg (Sweden) 2:24.05 (1:11.47/1:12.58). 6. Guenther Mader (Austria) 2:24.34 (1:11.21/1:13.13). 7. Lasse Kjus (Norway) 2:24.38 (1:11.11/1:13.27). 8. Rainer Salzgeber (Austria) 2:24.40 (1:10.59/1:13.81). 9. Steve Locher (Switzerland) 2:24.42 (1:11.79/1:12.63). 10. Alois Vogl (Germany) 2:24.57 (1:11.05/1:13.52).

Giant slalom standings: 1. Michael von Gruenigen 460 points. 2. Kjetil Andre Aamodt 301, 3. Hans Knaus (Austria) 280, 4. Steve Locher 276, 5. Fredrik Nyberg 252, 6. Urs Kaelin (Switzerland) 211, 7. Siegfried Voglreiter (Austria) 167, 8. Rainer Salzgeber 165, 9. Guenther Mader (Austria) 148, 10. Ian Piccard (France) 145.
Overall standings: 1. Von Gruenigen 577 points, 2. Aamodt 551, 3. Thomas Sykora (Austria) 482, 4. Knaus 468, 5. Christian Ghedina (Italy) 415, 6. Mader 401, 7. Luc Alphand (France) 397, 8. Locher 336, 9. Strobl 332, 10. Voglreiter 315.

TENNIS

AUSTRALIAN OPEN
WOMEN SINGLES, 1ST ROUND

Flora Perfetti, Italy, def. Katarina Studenikova, Slovakia, 6-4, 7-6 (7-1); Anke Huber (5), Germany, def. Amy Frazier, U.S., 0-6, 6-2, 7-5; Lisa Raymond, U.S., def. Slobhan Drake-Brockman, Australia, 6-2, 6-2; Rita Grande, Italy, def. Angeles Montolio, Spain, 6-4, 6-2.
Lindsay Davenport (7), U.S., def. Nathalie Dechy, France, 4-6, 6-1, 6-1; Meilen Tu, U.S., def. Lenka Cenkova, Czech Republic, 3-6, 6-2, 6-3; Jolene Watanabe, U.S., def. Jennifer Capriati, U.S., 6-2, 3-6, 6-4; Kristie Boogert, Netherlands, def. Nicole Arendt, U.S., 3-6, 6-3, 6-4.
Shi-Ting Wang, Taiwan, def. Linda Wild, U.S., 6-3, 6-1; Martina Hingis (4), Switzerland, def. Barbara Rittner, Germany, 6-1, 7-5; Francesca Lubiani, Italy, def. Rachel McQuillan, Australia, 6-2, 7-6 (7-4); Magdalena Grzybowska, Poland, def. Sarah Pitkowski, France, 4-6, 6-3, 6-1.
Dominique van Roost, Belgium, def. Betina Fulco-Villella, Argentina, 6-0, 6-3; Silvia Farina, Italy, def. Aleksandra Olsza, Poland, 6-3, 6-2; Chanda Rubin (15), U.S., def. Radka Zrubakova, Slovakia, 7-6 (7-2), 6-3; Mary Joe Fernandez (14), U.S., def. Laura Golarsa, Italy, 6-2, 4-6, 6-2.
Sandrine Testud, France, def. Elena Wagner, Germany, 6-3, 6-1; Patty Schnyder, Switzerland, def. Ivn Majoli (6), Croatia, 7-5, 6-1; Yuka Yoshida, Japan, def. Katrina Adams, U.S., 7-5, 6-3; Alexandra Fusai, France, def. Ginger Helgeson-Nielsen, U.S., 6-2, 6-2.
Irina Spirlea (8), Romania, def. Naoko Kijimuta, Japan, 6-2, 6-4; Karina Habsudova (9), Slovakia, def. Silvija Talaja, Croatia, 6-1, 6-2; Yayuk Basuki, Indonesia, def. Naoko Sawamatsu, Japan, 6-3, 4-1 retired; Paola Suarez, Argentina, def. Karin Kschwendt, Austria, 7-6 (11-9), 6-3.
Joannette Kruger, South Africa, def. Dally Randriantefy, Madagascar, 6-3, 2-6, 6-2; Nicole Bradtke, Australia, def. Corina Morariu, U.S., 6-3, 6-2; Mana Endo, Japan, def. Kristine Radford, Australia, 7-5, 6-1; Anne-Gaelle Sidot, France, def. Tatjana Jecmenica, Yugoslavia, 5-7, 7-5, 6-4.
Barbara Schett, Austria, def. Nana Miyagi, Japan, 7-6 (10-8), 7-6 (8-6); Stephanie de Ville, Belgium, def. Denisa Chladkova, Czech Republic, 6-3, 6-7 (2-7), 8-6; Sandra Kleinova, Czech Republic, def. Tami Whitlinger-Jones, U.S., 7-6 (14-12), 6-1; Arantxa Sanchez Vicario (2), Spain, def. Gloria Pizzichini, Italy, 6-4, 6-4.

MEN SINGLES, 1ST ROUND

Alberto Berastegui (16), Spain, def. Todd Larkham, Australia, 6-1, 6-2, 6-4; Arnaud Boetsch, France, def. David Caldwell, U.S., 6-0, 6-0, 6-2; Wayne Ferreira (8), South Africa, def. Carlos Costa, Spain, 6-3, 6-2, 6-2; Michael Joyce, U.S., def. Roberto Carretero, Spain, 6-1, 7-6 (7-4), 6-1.
Filip DeWulf, Belgium, def. Fernon Wibier, Netherlands, 6-4, 6-2, 7-5; Sergi Bruguera, Spain, def. Lleyton Hewitt, Australia, 6-2, 6-4, 6-3; Nicklas Kulti, Sweden, def. Karim Alami, Morocco, 6-4, 6-2, 6-4; Magnus Larsson, Sweden, Juan Albert Viloca, Spain, 6-3, 6-3, 7-6 (7-3).
Marcelo Rios (9), Chile, def. Petr Korda, Czech Republic, 7-6 (7-4), 6-3, 6-3; MaliVai Washington, U.S., def. Jacco Eltingh, Netherlands, 6-3, 6-7 (6-8), 6-3, 6-2; Peter Tramacchi, Australia, def. Johan van Herck, Belgium, 6-7 (6-8), 6-3, 6-4, 3-2 retired; Sargis Sargsian, Armenia, def. Marcos Ondruska, South Africa, 7-6 (8-6), 7-5, 4-6, 6-2.
Mark Woodforde, Australia, def. Michael Tebbutt, Australia, 6-4, 6-4, 7-5; Pete Sampras (1), U.S., def. Dinu Pescariu, Romania, 6-2, 6-4, 6-2; Goran Ivanisevic (3), Croatia, def. Ben Ellwood, Australia, 6-2, 7-5, 6-3; Jonas Bjorkmann, Sweden, def. Bohdan Ulihrach, Czech Republic, 1-6, 6-1, 6-4, 6-2.
Lionel Roux, France, def. Jonathan Stark, U.S., 1-6, 6-4, 7-6 (7-4), 6-2, 13-11; Marc Rosset, Switzerland, def. Javier Sanchez, Spain, 6-4, 7-6 (9-7), 6-1; Scott Draper, Australia, def. Alex Radulescu, Germany, 6-2, 6-4, 6-7 (4-7), 6-3; Hernan Gumy, Argentina, def. Orlin Stanoytchev, Bulgaria, 6-4, 6-4, 6-4.
Jan Krasik, Slovakia, def. Andrea Gaudenzi, Italy, 6-4, 6-4, 6-2; Adrian Voinea, Romania, def. Hendrik Dreekmann, Germany, 6-2, 6-1, 4-6, 6-4; Slava Dosedel, Czech Republic, def. Guy Forget, France, 6-2, 3-6, 6-3, 6-4; Leander Paes, India, def. Jaymon Crabb, Australia, 6-4, 6-3, 6-4.
Karol Kucera, Slovakia, def. Paul Haarhuis, Netherlands, 6-1, 3-6, 6-3, 4-6, 6-4; Jeff Tarango, U.S., def. Bryan Shelton, U.S., 2-6, 7-6 (7-1), 7-6 (7-2), 6-2; Marc Goellner, Germany, def. Kenneth Carlsen, Denmark, 6-4, 6-1, 6-7 (2-7), 6-4.
Jim Courier (11), U.S., def. Sjeng Schalken, Netherlands, 6-7 (4-7), 6-3, 4-6, 6-1, 8-6; Christian Ruud, Norway, def. Jan Siemerink (13), Netherlands, 3-6, 4-6, 7-5, 6-2, 10-8; Albert Costa (10), Spain, def. Patrick Rafter, Australia, 7-5, 6-2, 7-5.

SOCCER

SPANISH FIRST DIVISION
Barcelona 2, Hercules 3

Standings: 1.Real Madrid 43, 2.Barcelona 40, 3.Deportivo Coruna 38, 4.Real Betis 36, 5.Atletico Madrid 35, 6.Real Sociedad 34, 7.Valladolid 30, 8.Tenerife 28, 9.Athletic Bilbao 28, 10.Valencia 27, 11.Racing Santander 26, 12.Celta Vigo 24, 13.Rayo Vallecano 23, 14.Oviedo 22, 15.Compostela 20, 16.Espanyol 19, 17.Sporting Gijon 18, 18.Logranes 18, 19.Sevilla 17, 20.Hercules 15, 21.Zaragoza 14, 22.Extremadura 9.

TRANSITIONS

BASEBALL
MAJOR LEAGUE BASEBALL
AMERICAN LEAGUE

ANAHEIM—Agreed to terms with RHP Mike James on 3-year contract and RHP Travis Buckley on a minor league contract.
BALTIMORE—Signed RHP Shawn Boskie, RHP Giovanni Carrara, RHP Chris Fussell, RHP Sidney Ponson, RHP Alvie Shepherd, LHP Brian Shouse, RHP Matt Snyder, RHP Billy Percibal, C Ryan Luzinski, C Melvin Rosario, C Lenny Webster, 1B Drew Denson, SS Kelly Gruber, 2B Francisco Matos, SS Augie Ojeda and OF Jerome Walton to minor league contracts.
CHICAGO—Signed free agent pitcher Doug Drabek to 1-year contract.
SEATTLE—Agreed to terms with RHP Bobby Ayala and RHP Scott Sanders on 1-year contracts.
NATIONAL LEAGUE
PHILADELPHIA—Agreed to terms with RHP Ron Blazier, RHP Wayne Gomes, RHP Larry Mitchell, INF Dave Doster, INF Kevin Sefcik and C Bobby Estalella on 1-year contracts.

BASKETBALL
NATIONAL BASKETBALL ASSOCIATION
CLEVELAND CAVALIERS—Put G Carl Thomas on injured list. Activated C Shawnelle Scott from injured list.
PHILADELPHIA—Put C-F Scott Williams on injured list. Activated F Mark Hendrickson from injured list.
PHOENIX—Placed G Tony Dumas on the injured list. Activated F Ben Davis from the injured list.
SEATTLE—Signed F Terry Cummings to 1-year contract.

FOOTBALL
NATIONAL FOOTBALL LEAGUE
DETROIT—Named Bobby Ross coach.

HOCKEY
NATIONAL HOCKEY LEAGUE
NHL—Suspended New York Islanders D Rich Pilon for two games (one already served) without pay, and fined him $1,000 as a result of a slashing incident against Pittsburgh Penguins C Mario Lemieux on Jan. 10.
ANAHEIM—Sent RW Valeri Karpov to Long Beach of the IHL.
DALLAS—Activated RW Grant Marshall from injured reserve.
DETROIT—Placed C Sergei Fedorov on the 7-day injured-reserve list. Recalled LW Tomas Holmstrom from Adirondack, AHL.
HARTFORD—Reassigned G Jean-Sebastien Giguere to Halifax, JHL.
TAMPA BAY—Put C Brian Bradley on injured reserve. Recalled F Jason Wiemer from Adirondack, AHL. Reassigned G Tyler Moss to Grand Rapids, IHL.
WASHINGTON—Recalled D Eric Charron from Portland, AHL.:

COLLEGE
BAYLOR—Named Jim Holland assistant football coach.
KANSAS—Named Bill Salmon and Darrell Wyatt assistant football coaches.
PROVIDENCE—Suspended C-F Abdul Brown from the basketball Indefinitely for disciplinary reasons.
VMI—Named Ted Cain football coach.

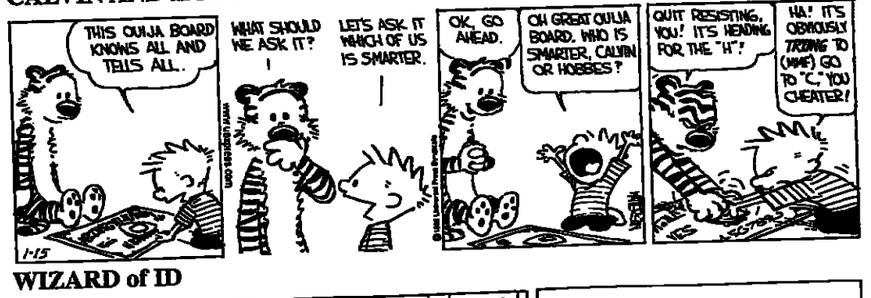
SOCCER
MIDDLESBROUGH — was penalized three points and fined £50,000 by English FA for calling off game at Blackburn last month. Middlesbrough was to pay hearing cost and could face compensation claim. The game will have to be played at later date.
THE CENTRAL AFRICAN REPUBLIC AND NIGER— have been disqualified, by the Confederation of African Football from this year's African club competitions for failing to pay annual fees.
VANDA—Chinese league champion, signed Krister Lundgren and Magnus Skoldmark from Sweden on 1-year commitment.

DENNIS THE MENACE

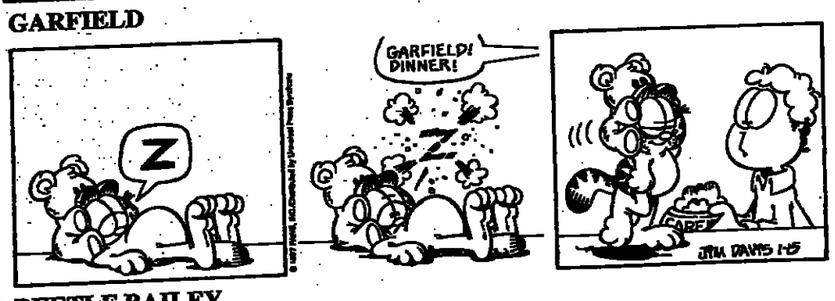
"MAYBE HE SWALLOWED TOO MANY IRON PILLS."

PEANUTS

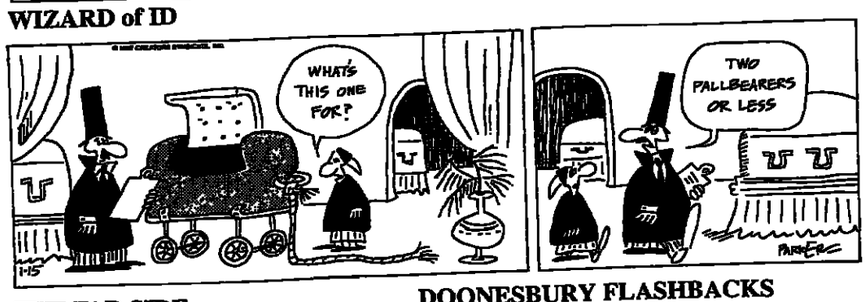
CALVIN AND HOBBES



GARFIELD



WIZARD of ID



BEETLE BAILEY

THE FAR SIDE

Eddie Nordquist and his "Death Kite"

DOONESBURY FLASHBACKS

JUMBLE. THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

TEFIB
LEKAN
BOLLAG
SHAWCE

WHAT THE PAPER-BOY DELIVERED

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

: Answer here: THE "[ ][ ][ ][ ]" [ ][ ][ ][ ] (Answers tomorrow)

Yesterday's Jumbles: RAPID FETID PIGEON APPALL
Answer: This happened to his weight as he grew older—IT DROPPED

BLONDIE

OBSERVER

Bottom-Line Pensions

By Russell Baker

NEW YORK — There is a scheme afoot to privatize Social Security. My son the poor but honest carpenter asked what that would mean.

"Son," I told him, "it means in your old age you will be taken care of by the bottom-line guys."

He seemed uneasy. "The bottom-line guys make me itch," he said.

I'd heard that whine before. The boy can't afford health insurance, so he blames the bottom-line guys. Says they charge outrageous prices no poor but honest carpenter can afford.

The lad used to hope there might be a national health-insurance program. Then Harry and Louise made Congress see the folly of such things. Now the boy gripes that the bottom-line guys have a lock on American medicine.

□

Just because more people than ever are without health insurance, just because people who do have insurance may find their treatment being dictated by insurance-company clerks — that is no reason to sneer at Harry, Louise and the bottom-line guys.

"If you'd listened to Harry and Louise, you'd be glad you can't afford health insurance," I tell the boy. "And if you could afford it, you'd be glad some spendthrift sawbones couldn't make your insurance company pay for a lot of fancy medical tests."

I couldn't tell him for sure exactly how Social Security would work after it's privatized. The nub of the plan is to transfer billions of dollars from Washington to Wall Street. At present, Social Security taxes bring in oceans of money which, if invested in stock markets, would earn more for the program than they do under the present program.

This presumes that the market will never again collapse in the kind of ruin that began in 1929. And why not presume a Dow Jones average soaring ever toward Paradise? Where is it written that what goes up must come down?

How you would go about getting your Social Security payment into profitable stocks is unclear. My son, the poor but honest carpenter — always quick to whine — complains that stocks, stockbrokers and the stock market are so alien to his way of life that he wouldn't know how to get into the big bull market.

Has it never occurred to him to study the market quotations in the daily paper, to take a course in investment strategy, to invite some stockbrokers to his house for champagne and smoked Scottish salmon?

Thus entertained and oiled, they'd feel obliged to give him tips about how to invest his Social Security payments. They would say things like, "Get into perishables."

"Dad," said the boy, "you tell me: How do you get into perishables?"

What an irritating question. What an exasperating son. What do I know about getting into perishables? Why do I need to know? I got into Social Security in the old days, a mere stripling of 16 years, when government didn't expect you to know about getting into perishables before they let you into Social Security.

In that bleak age, bottom-line guys got no respect at all.

New York Times Service

Bucharest's 'Dada' Houses, Frozen in Amber

By Jane Perlez
New York Times Service

BUCHAREST — It is hard for outsiders, and even for Romanians, to imagine that this city, where whole neighborhoods were razed by the dictator Nicolae Ceausescu, was once a sophisticated urban capital with cutting-edge architecture and an avant-garde artistic movement. But in the 1920s and '30s, Bucharest was a center for modernist architecture, with dazzling white cubist-shaped houses with flat roofs and wide expanses of windows built for the newly rich.

Amazingly, much of this architecture survived the leveling rampages of Ceausescu, who in the 1970s and '80s destroyed a swath of Bucharest's 19th-century inner city. And today, as Romania digs out from its Communist past, the work of Marcel Janco, the painter and architect who designed many of the houses, is being rediscovered in exhibitions, books, and the buildings themselves.

"During the 1930s, Bucharest was filled with modernist structures; even not-so-rich people built in this style," said Magda Carneci, an art historian who recently organized an exhibition of Janco's photos and architectural drawings at the National Gallery in Bucharest. "It was a fashion — being with Europe and being with your time."

Most of the houses were acquired by the governenment but escaped the demolition orders of Ceausescu because they were scattered through the city.

The renewed interest in the Romanian avant-garde is inspired by a realization that Romanian culture had "good parts, not only the bad," Carneci said. "We know that if the Communist period hadn't come, Romanian culture would have looked much better."

Romanian artists were in the vanguard of the modernist movement. The sculptor Constantin Brancusi moved from Romania to Paris early in the century, and the less well-known Tristan Tzara and Janco were among the founders of the anti-bourgeois Dada movement in 1916 when they were young art students in Zurich. (In Romanian, Dada is "yes" said twice, as well as the word for a child's wooden horse; in relation to the art movement, Carneci said, it is meant to convey "an object of the soul.")

From Zurich, Tzara and Janco moved on to Paris, where the Dadaists were soon superseded by the Surrealists. Janco, whom Carneci described as a larger-than-life personality bubbling with enthusiasm for the new aesthetics, returned to Bucharest in 1922 determined to transform the cultural life of his home city. He wrote and drew profusely for a new visual arts magazine, Contimporanul, which he helped publish; his distinctive houses began springing up in 1926 along with commercial buildings designed by his followers.

The architectural ideas of Janco and his colleagues coincided with the development of Bucharest as a city. Until World War I, Bucharest was little more than a market town that served as a crossroads between Turkey and Western Europe. Unlike the Hungarian capital, Budapest, which was conceived as an imperial city in the 1890s and filled with grandiose structures of the Habsburg empire, Bucharest still had abundant undeveloped land in the 1920s and '30s. With the growth of the oil industry after World War I, there was also plenty of money for construction.

The main boulevard, Magheru-Balcescu, was lined with tall, lean structures that transformed Bucharest into one of the most compact modernist architectural areas in Europe. The buildings remain to this day but are hard to distinguish behind layers of heavy grime, cracked facades and tangles of overhead wires and signs.

"Photos from the time they were built show the town looking extremely white, full of air and very elegant," said Carneci, who edited a recent book, "Bucharest in the 1920s-1940s: Between Avant-Garde and Modernism."

Most of the houses designed by Janco became government property after the Communists came to power but escaped the demolition orders of Ceausescu because they were scattered through the city. But because they were inhabited by tenants with no money for repairs, they became dilapidated.

On Mora Street, in one of the oldest quarters of the city, Carneci showed a visitor a three-story Janco house that stands in sharp contrast to the narrow cobblestone street and some nearby ramshackle cottages. Built of reinforced concrete with a flat roof, the house features wide, rectangular windows interspersed with round windows resembling portholes, a signature motif of the 1930s. The balconies of the house are enclosed with iron railings that are also reminiscent of an ocean liner.

The house is surrounded by a large garden, but everything about the site speaks of neglect. Some of the concrete walls are cracked, and the exterior is a dirty buff color that looks as though it has not been cleaned in 50 years. The trees and plants are also uncared for.

Another villa, designed for a well-to-do family, was built on three levels with two long balconies running the length of the house. The beige stucco exterior is peeling, and the wood frames of the long windows are cracked.

But there was a positive side to such neglect, Carneci said: "Because no one had any money, the houses stand as they were originally built." Original iron doors with curvy Art Deco lines remain in place, and there are no additions to the houses.

As the economy in Bucharest starts to rejuvenate and laws for private ownership are defined, Carneci said, many of the Janco houses will become desirable properties. One such house, which is owned by a Romanian family living in the United States, is on the market for $500,000, a vast amount by Romanian standards.

With the union of architects, the city government, now controlled by a coalition of parties that back market reforms, is preparing rules mandating that the original design of the 1930s houses be kept, Carneci said. One purpose of the recent exhibition on Janco, she said, was to increase public awareness of the value of the architecture and the need to preserve it.

Radu Sigheti/The New York Times

Magda Carneci, with a Janco dwelling behind her.

Like Tzara, whose real name was Sammy Rosenstock, Janco was Jewish.

In the early part of the 20th century, anti-Semitic laws made it difficult for Jews to enter Romania's burgeoning business sector, Carneci said. Thus the children of some wealthy Jews went into the arts and, like Janco, tried to fight the nationalist spirit of the interwar period.

As anti-Semitic forces gained power in Romania, Janco left the country in 1940 and settled in Palestine, where he became a leading modern painter and teacher. In 1953, he built Ein Hod, an artists' cooperative village in Israel. Although he never returned to Romania before his death in 1984, he sent albums in an effort to keep in touch with colleagues locked in by communism.

INVISIBLE FIELDS

Americans Focus Quest for Beatitude on 'Feng Shui'

By Molly O'Neill
New York Times Service

NEW YORK — The litter box could have ruined me. Four of the world's leading *feng shui* practitioners were huddled over my cats' privy, their *luo pans* quivering with alarm. They stared at their trusty compasses in disbelief: the box was placed precisely on the point of "fortunate blessing" in the southeast corner of my Manhattan loft. It was inviting financial, emotional and professional disaster.

Their consultation was meant to culminate my monthlong study of feng shui, the ancient Asian folk art of how one's home might affect one's life. Instead, their suggestions initiated several weeks of frenzied home improvements.

Feng shui masters have consulted on real estate developments in the United States for more than a decade, usually to satisfy Asian investors.

But a recent deluge of more than 40 books on the subject seems to have expanded the masters' mystical sway into Everyman's bedroom.

Newly minted feng shui consultants are springing up in the telephone book, society pages and Architectural Digest to help Americans balance the *ch'i* in their homes. Pronounced "chee," these invisible fields of electromagnetic energy are believed to determine vitality, fortune and love life. Ch'i-directing accoutrements for the home — wind chimes, table-top waterfalls and eight-sided mirrors — are selling briskly in malls across the United States and internationally by mail-order through the Feng Shui Warehouse in San Diego, which doubled its sales to $400,000 in the last year, its founder, James Moser, said.

At dinner parties in Manhattan, the well-heeled and ambitious have begun to debate the benefits of feng shui intervention with the same seriousness with which they weigh the benefits of Prozac or Paxil. They call feng shui "acupuncture for the home."

As more Americans learn to pronounce feng shui ("fung shway," approximately), it's getting harder to separate what may be valid ancient wisdom from a whole lot of feng phooey. I ended up reading 43 books, interviewing two dozen experts, buying plants with ch'i-friendly round leaves, and painting the entire southeast quadrant of my loft aquamarine to beckon good fortune in what feng shui masters view as the home's vital spot.

Louis Oliver Gropp, the editor in chief of House Beautiful, said, "The growing fascination with feng shui represents the public's need to bridge the physical and spiritual world." The same people who tried to enrich their lives with alternative medicine, diet and meditation were in the first wave of feng shui devotees, Gropp added.

But the ripples of that wave are rolling into Mid-America.

Stacey Muesig, an elementary school teacher in Dublin, Ohio, worried about the placement of her bed (optimally, the southwest corner of the house, the most auspicious spot to nurture a marriage) and her desk (it should face the door, to forestall any unwelcome caller). And retail stores, banks, offices buildings, spas and even discos are honing their ch'i, as feng shui moves from the esoteric fringes of American society into the mainstream.

Last month in Manhattan, the original Village Gate on Bleecker Street, once as dank and grimy as it was venerable, opened as Life, a nightclub, after a $10 million feng shui face lift transformed its domineering columns into cylinders mirrored for friskier ch'i-play.

"It feels, uh, different," said Eartha Kitt, who dropped by to see the new space (she is scheduled to perform there next summer).

Marilynn K. Yee/The New York Times

Lin Yun, a feng shui expert who was alarmed by this column in the writer's apartment.

Twirling on a dance floor whose inlaid wood design is reminiscent of an astrological chart, she countered a question with "Feng what?"

"Ours is a culture that scrambles from one external solution to another," said Willian Spear, the author of "Feng Shui Made Easy" (Harper San Francisco, 1995) whose 300 clients last year included the Royal Bank of Canada. "A feng shui consultant can spin dials and suggest external changes, but without an internal shift, the changes won't last."

In other words, you can pay a feng shui consultant six figures or you can hand over $250 for an on-line consultation. But you can't buy prosperity or good health. The best practitioners promise only an environment conducive to spiritual enrichment.

Ch'i, it seems, is not dissimilar to light or air. Just as a developer would not site a multimillion-dollar project on a geological fault, a feng shui master would not build in a place that gives his luo pan, the feng shui compass, a worrisome tilt.

A conventional decorator worried that a structural column in the middle of my loft stopped the eye. Feng shui consultants, on the other hand, said that the column disrupted the flow of ch'i.

One consultant insisted that the offending column be addressed by a $10,000 demolition project. Another suggested rounding the square column into a ch'i-gentler cylinder covered in $2,000 worth of acrylic. Two others recommended $100 fixes: the column could be disguised by upholstery or decorative painting, they said, its effects mitigated by crystals, plants or wind chimes.

Karen Kopta, a public-relations consultant in Manhattan, embarked on a six-month feng shui nightmare when she hired a consultant to choose paint colors and design some storage units for her apartment.

"I thought if I could get a little cosmic harmony along with some storage space, why not?" Kopta said.

From the consultant, she got a paint scheme, some demolition, no reconstruction — and a bill for $1,000, fully a fifth of her entire budget. She ended up painting her apartment herself and hiring a carpenter to design and build new storage units.

Kopta dismisses feng shui as a well-intended plaything for the overindulged. Still, she worries about one suggestion she scorned, putting in a waterfall.

"What do you think?" she asked. "Could a waterfall change my life?"

PEOPLE

A HOSPITAL spokesman says that **Frank Sinatra** is making good progress in his recovery from a mild heart attack and could go home by Friday. Sinatra is alert and chats with visitors, the spokesman at Cedars-Sinai Medical Center in Los Angeles said. It was Sinatra's third hospitalization in two months. He was at Cedars-Sinai for eight days in November for a pinched nerve and pneumonia. Last Monday, he was hospitalized one day for an undisclosed procedure.

□

An Australian poet who wraps vast contemplations of mortality in dry, easy wit has won Britain's prestigious T.S. Eliot prize. **Les Murray**, who lives in a country home outside of Sydney, was too ill to travel to Britain to attend the ceremony at the British Museum. He won £5,000 ($8,400) for his volume, "Subhuman Redneck Poems." The award was presented to a representative of Murray's by Eliot's widow, **Valerie**.

□

Princess Diana has met war victims in the poorest quarters of Angola's capital Luanda and promised to send toys to comfort the children. Diana is on a four-day tour of Angola, to help a Red Cross campaign to outlaw land mines worldwide. At an orthopedic center on the city's outskirts, she chatted with ex-combatants and children waiting to be fitted with artificial limbs. Diana watched as the youngest patient **Sandra Tigica**, 11, was fitted with an artificial leg. On Wednesday, the princess is to wear body armor to visit a minefield in a remote part of the country.

□

France's leading theater, the Comedie Francaise, marks the 375th anniversary of its founder, **Moliere**, in traditional fashion Wednesday. The cast, wearing stage costume, will gather round the bust of the playwright, born Jan. 15, 1622, to bear a reading from the work of the theater critic and historian **Alfred Simon**.

□

The British film director **Mike Newell**, best-known for "Four Weddings and a Funeral," plans a movie on the East German dissident **Vera Lengsfeld**, whose husband spied on her for the secret police, a press report said here. The story hit the headlines in 1991 when Lengsfeld discovered what her husband **Knud Wollenberger** was doing when she consulted the files of the former East German intelligence service, the Stasi. Lengsfeld, 44, now a member of Parliament in the reunified Germany, told the paper there was no intention to settle scores, but rather to show what life was like in East Germany. She divorced Wollenberger in 1992.

David Cheskin/Agence France-Presse

With his image of Alec Guinness peering over his shoulder, Lord Snowdon surveys the crowd at the opening in London of a show of his theatrical photographs.

□

The first line in **Woody Allen's** new movie, a champagne musical called "Everybody Says I Love You," is sung by **Edward Norton**, and no one was more surprised to see it than he was. "I was not informed that that would be the first scene," said Norton, who plays a lovestruck swain. "When I saw it for the first time they removed all sharp objects from around me to prevent me from doing harm to myself." Allen cast the movie with virtually no attention to the actors' singing ability. "All he said was, 'I'm not looking for Pavarotti. I'm just playing with an idea.'" Norton said.

□

Here's some grist for the gossip mill: For $1 million, **Liz Smith** will write her life story. "I've thought about calling it 'Blind Item,'" the gossip columnist said Monday in the New York Post. "Maybe 'Sex.' That did very well for **Madonna**."

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